

INSIDE: AN ANTI-TURNER CAMP OPENS ITS DOORS

Maclean's

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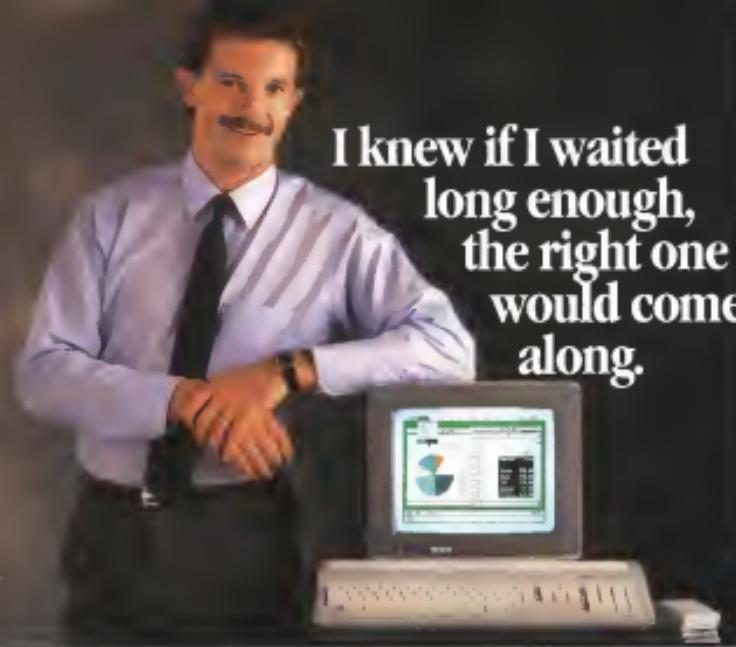
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CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

DECEMBER 8, 1989 VOL. 99 NO. 48

COVER

Danger signals

They insisted that the meeting was not a summit. But as Ronald Reagan and Mikhail Gorbachev sat down for their meeting last weekend on the island nation of Ile d'Yeu, each seemed intent on thrasing out U.S.-Soviet relations. And each plainly believed that, face to face, the power of his own personal charm and persuasion would prevail. —Page 24



More trouble for Turner

As Liberals prepare to vote on John Turner's leadership next month, a group of party dissidents from Quebec has launched the first public anti-Turner campaign. —Page 16



CONTENTS

The Arts	63
Books	61
Business, Economy	44
Canada	14
Culture	18
Editorial	8
Films	73
Fitzheringham	26
Law	56
Letters	4
Men in Power	49
Passages	4
People	60
Retirement	62
Sports	32
World/Cover	24



The most expensive sport
The 17 yachtsmen now in Australia trying for the America's Cup, syndicate of 18-metre yachting veterans, will spend \$800 million before the winner is decided. —Page 22



Mermaid to astronomer
Seven star Daryl Hannah's latest role, in a movie loosely based on *Cyrano de Bergerac*, is a switch from the offbeat characters she has played in the past. —Page 60

LETTERS

Turner and Trudeau

Why should I care what Pierre Trudeau thinks of the constitutional issue in Quebec ("It's in the ranks," Canada, Sept. 29)? Aren't we lucky to be rid of the arrogant man? John Turner is handling himself with dignity. Trudeau did enough damage to last a long time.

—CARLA LESTA
Winnipeg

What right has "Turner" policies Pierre Trudeau to "lives" the leader of the opposition to do anything? Trudeau is no longer an elected representative of anybody's will, except of course his own. To this reader, the presentation of Trudeau's opinions as "evidence" of Turner's poor judgment is at best gratuitous. The priority of Turner's stance on the Constitution is not the issue here; rather, it is the consummate gift of a private attorney subverting democracy to further his personal interests.

—MARY-KATHLEEN DELGATE,
Kingston, Ont.

The imperative of assistance

I feel compelled to respond to the letter describing the prolonged wait that the writer's two South African acquaintances had to undergo to immigrate to our country (Letters, Sept. 15). The writer points out that her friends were justified in being very angry at the Trudeau illegal entry into Canada—without the warning. Illegal entry and lying are not much when you are trying to save your life. Our system has its faults, and tangled red tape is one of them. But everything cannot be done by the book. Here we are a group of people in real need. Most we need these



Turner? And one man's opinion

back with five-page documents to fill out when they might not even reach their homes safely? It may not be "fair" that the Hindu family be given such an open ticket as immigrating, but surely we must be with our consciences if we didn't give it to them?

—LANA CEDER,
Windsor, Ont.

Education for the handicapped

Regarding the article "Not wanted or vagrants" (Education, Sept. 15), MacLean's obviously did not investigate what the Winnipeg school board considers best for the seriously handicapped: Amber Swings, and why. In a regular classroom, the teacher would not be trained to assist a handicapped child, and whenever the teacher did would be at the expense of the other pupils in a "special" classroom, the teacher is a trained specialist who can help each child to reach his or her maximum potential. Is this not what Amber's parents should desire—even though for her?

—LAUREN THORLETT-WATKINS,
Winnipeg

Dealing with a nuclear legacy

How to repair a giant utility's public image? "Fallen from a napkin," Follow-up, Sept. 18? The question is rhetorical, because the Darlington nuclear plant is a neophyte, not an employment agency. Former Ontario premier William Davis left his mark with Darlington, and it appears Premier David Peterson plans to complete the legacy. Different parties, but the game is the same, peer great money after bad and pray.

—MENDELSON JOL,
Toronto

PASSAGES

1960 Civil rights activist Bobbi Ahwan Jean L. Felberg '81, the crusading Bobbi Ahwan of Toronto's Elie Wiesel High School, who once vowed that he would not retire "until the Lord retires me," after a long battle with liver cancer, in Bern, New York. Born in Belgrade, Ohio, Felberg was ordained a rabbi in 1961 but in 1960 quit the rabbinate to enjoy a brief career as a romantic radio singer "Anthony French, poet-prince of the strewns." He later returned to the pulpit and was rabbi of Haga Shalom from 1943 until he retired in 1962. Fenberg, whose outspoken opposition to nuclear arms, racism and the Vietnam war made him a controversial figure, was presented with a 1986 Civil Libertiesman of the Year Award last spring. He said at the time, "It was as though my life had been lived up to and ratified."

1960 Farmer Nova Scotia culture minister William Joseph (Billy Joe) MacLean '65, 46, from his seat in the provincial legislature, where he was Conservative MLA for Lower North, after pleading guilty to four counts of uttering based on forged documents that added up to more than \$20,000 in expense claims. In addition, MacLean, who was fined \$6,000 and sentenced to a day in jail served by his court appearance, had resigned from the cabinet last April after he was charged with 10 counts of fraud, forgery and uttering. He said that he will try to regain the Tory nomination for his constituency when a by-election is called.

1961 Movie producer Hal Wallis, 88, who supervised the production of more than 400 films during his career, after a history of diabetes, in Rancho Mirage, Calif. An executive with Warner Brothers film studio and later as an independent producer, Wallis was associated with some of the most popular films of the century, including *The Maltese Falcon* (1941) and *King's Ressurection* (1941), which featured Ronald Reagan in what is regarded as the U.S. President's finest performance as an actor.

ARRESTED Alleged organized-crime leader Frank Corrado, 55, was arraigned, San Francisco, 26, and two others, on charges of first-degree murder and conspiracy in the 1981 shooting death of Jeff Weeste, 26, in Montreal, following an investigation by city police, the RCMP, Quebec provincial police and Metropolitan Toronto police. Early this year, Corrado was indicted in the United States, where he is wanted in drug smuggling charges, after the Quebec Court of Appeal ruled that he had been deprived of his right to cross-examination.



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CLOSE-UP: ELISABETH BORGSE

Champion for peace

After her wedding, celebrated in the chapel of New Jersey's Princeton University in 1898, Elisabeth Marx, youngest daughter of German novelist and Nobel laureate Thomas Mann, was the toast of Europe's exiled literati and prewar America's cultural elite. W.H. Auden wrote a poem and dedicated it to the 31-year-old on the occasion of her marriage to Giuseppe Antonio Borgese, the Italian anarchist and painterly activist. Now 68, Elisabeth Borgese remains at ease in the salons of Europe and New York, but her home is a small Alpine cottage overlooking the Atlantic Ocean near Biarritz. Although she emerged from a world of wealth and privilege, there is nothing idle about the grey-haired anarchist. Now a partial science professor at Halifax Dalhousie University, Borgese has continued to pursue her father's ideals and vagabond ways of a world where war and oppression are evils of the past. And her friend Godfrey Pearson, the son of former prime minister Lester Pearson and now director of the Canadian Institute for International Security, "like an idealist, is a visionary."

Borgese's headquarters are a cluttered office on the upper floor of her Biarritz Head, N.E., cottage, 50 km south of Biarritz. Beyond the unshielded window, the North Atlantic rocks, the pink buoys marking sunken traps holding the oysters she has cultivated with a neighbor, marine biologist Catherine Wright, beside a small living room is dominated by half a dozen seers from a family of dogs that Borgese has kept through eight generations. Her day begins at 8 a.m., when she rises to make calls to Europe and to study and write. In the afternoons she travels to her office at Dalhousie, which she has occupied since 1976, or to the International Centre for Geoenvironmental Development (ICG) in Biarritz, where she is chairman of the board.

Borgese's appointment by Ottawa to the federally sponsored ICG last February capped a career of dazzling intensity and variety. At different times Borgese has studied peace in Southeast Asia, worked as an academic researcher in China, experimented with animal behavior in Italy, written books, and played an important role in the negotiations leading to the 1982 Convention on the Law of the Sea. Her arrival at the ICG brings prestige and energy to the centre, which assists Third World countries to develop their marine resources. Now Borgese di-



Elisabeth Borgese bringing prestige and energy to work



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settled in Chicago, where Giuseppe Antone Borgese taught political science. Edoardo Borgese remained here in his husband's advocacy of world federalism, which he believed would bring order to international relations after the end of the Second World War. "That was really when I became politically engaged," said Borgese.

But in 1962 Borgese and her husband were suddenly forced to find a new home. For the second time in her life Borgese found herself facing political intolerance, after followers of the right-wing U.S. senator Joseph McCarthy accused both her and her husband of Communist sympathies. Recalled Borgese: "Peace was a dirty word. It reminded me of my early memories of Germany." In October the couple moved to Italy, but in December her husband, then 71, died, leaving the 34-year-old widow with two young daughters.

Over the next decade Borgese's eclectic interests multiplied. She edited an Italian-language cultural journal for the Ford Foundation, pursued her experiments in animal learning and wrote short stories, plays and a feminist treatise, *The Assail of Women*.

In 1984 Borgese accepted a position as fellow at a California-based think tank where chemist Lewis Pauling,

tease a Nobel winner, was a colleague, and launched a new round of research into her husband's ideas about world government. She says that the experience convinced her that an international storm was brewing over human rights as technology expanded to exploit ocean resources. When Malta's ambassador to the United Nations, Arnold Pafra, launched a campaign to write a new Law of the Sea in 1987 to succeed an earlier, more limited convention, Borgese eagerly enlisted as an adviser to the Austrian delegation. She brought to the project her reputation and a global network among specialists in seabed development. Both proved vital as negotiations throughout the 1980s stalled repeatedly.

The main conflict was between poor nations, which demanded a share in seabed resources, and wealthy nations which advocated that exploitation of those resources be left to private enterprise. Said Michael McGivern, a senior fellow at Washington's Brookings Institution: "She managed by her own personal stature to engender the trust of the Third World."

It was a personal victory as well as a major international event when 130 nations signed the Convention on the Law of the Sea in January 1982. But Borgese says she is disappointed by the sluggish progress on its two main

resolutions, the drafting of a Seabed Authority to regulate ocean development and the establishment of an international tribunal to arbitrate disputes. Indeed, the convention has been ratified by little more than half of the 60 nations required to bring it into force. Canada, one of the signatories, has failed to ratify it. Said Borgese: "We have the opportunity to create a model organization for the next century. It is a wonderful business." But friends say that her global vision has often run ahead of the more cautious expectations of national lawmakers. Noted McGivern: "A lot of people in governments find their attempts to hold to their own rhetoric a pain."

Still, Borgese's work on ocean rights is only one of many urgent subjects to which she devotes her time. Indeed, she says she is intent on some presidents set by the Law of the Sea—a sharing of the world's natural resources—applied in other fields, including the development of outer space. Such international co-operation, she says, will create the kind of world that her father and husband advocated. "It is a dream," said Borgese of current world tensions, "but it is during times of crisis that new concepts have a chance to unfold."

—CHRIS WOOD in Heidelberg

FOLLOW-UP

Storm over the capital

When Queen Victoria chose the Little Brother city of Ottawa as the capital for the nation of Canada in 1857, many critics expressed surprise and embarrassment at the choice. The politicians who was to become Canada's seventh prime minister, Wilfrid Laurier, wrote in 1885, "Ottawa is not a handsome city and does not appear to be destined to become one." After he came to power in 1886, Laurier established the Ottawa Improvement Commission, the first is a series of agencies charged with beautifying the backwoods capital. Gradually, the dirty logging city of Laurier's day was transformed into a scenic city of leafy parks and tree-lined boulevards. Much of the beautification program has been executed in recent years by a successor to Laurier's agency, the widely adored National Capital Commission (NCC). But this year, the 28-year-old NCC has garnered more bad-hats than bouquets.

A series of controversial decisions by the commission has prompted some local politicians and citizens groups to de-

seminate it as a bloated and arrogant bureaucracy. In critics charge that the NCC tends to put grand designs for the national capital ahead of local concerns. Said Ottawa city activist Jean Prenter: "We are not much a part of the capital city as the roads and the canals and the rest of it."

Countered NCC chairman Jean Pigott, "I am building a capital for all Canadians. I am not building a capital for the locals."

With 933 employees and a budget of \$47 million, the Crown agency wields massive influence in the Ottawa area. Its holdings include 100 km of roads, downtown real estate, the Prime Minister's official residence and 20 per cent of the city of Hull, Que. In fact, it owns more than 50 per cent of all land within the National Capital Region, a 1,800-square-kilometre area that includes 22 municipalities in Ontario and Quebec

The commission's land holdings are so vast that Andrew Macdonald, chairman of the regional municipality of Ottawa-Carleton, has criticized it for becoming "a real estate department."

At the heart of the controversy is commission chairman Pigott, a former Conservative MP appointed to the post in 1984 by Prime Minister Brian Mulroney. Pigott speaks with evangelical and of the need to bring Canadians to Ottawa to "celebrate Canada's national identity." Even his detractors acknowledge his dedication. Ottawa, the one said, must become "every Canadian's second home."

One of the most recent disputes has concerned the site for the new S.S. Edmund L. Bunker. Last December the NCC announced that it was considering a tract of land known as Mile Circle, adjacent to the wealthy, quiet neighbourhoods of east-end Ottawa, for a 10-acre compound to replace the existing smaller embankment across the street from Parliament Hill. Residents complained that construction of the new embassy would result in the destruction of parkland. They also ex-



Pigott: brickbats

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WHERE THE WORLD IS AT HOME

pressed concern about the embryo's heavy security requirements in a court neighborhood. But after eight months of vigorous public protest the commission confirmed the choice of the Miles Castle site last August. *Bad. Piggot*: "Miles Castle is federal land. The option is, should it be a private park for people to walk their dogs in, or should it be put to federal use?"

Then, in May the NCC announced that it would hand public access to the 58-acre park surrounding Rideau Hall, the official residence of the Governor-General. The commissioners cited concern over security. But residents of neighboring communities expressed outrage that an unsecured body had denied them use of parkland that they had come to take for granted. Angry pro-western boisterous picket signs paraded before the ornate wrought-iron gates of the residence's entrance, while parkers encouraged their children to write letters of complaint and hang them from the gates. But Piggot stood firm: "It is not a local park," she said. "We want central access."

Shortly after, at the height of the battle over Miles Castle, Piggot came under fire for another decision the commissioners introduced: user fees for NCC-owned parking lots near lakes in Gatineau Park, a 145-square-mile playground north of the capital. Park users complained that the fees—\$3 for use vari!—were unworkable. But Piggot responded that Gatineau was the only federal park in the country without user fees.

Critics charge that the NCC argues residents by weaker decisions is an unacceptably high-handed and arrogant manner. Said Ontario's now-won former tourism minister, Jim Angus: "You can't build a national capital on isolation and傲慢." The rest of the problem, however, is the commission's lack of accountability to Ottawa residents. As a Crown corporation, it is accountable to Parliament through the minister of public works. As well, the 10-member NCC board is made up mainly of nonpolitical political appointees. Dan Vernon, Thoms, a resident of Whitewater, had never been to Ottawa before his appointment in 1986 by federal officials.

For her part, Piggot insists that the NCC's first responsibility is to the federal interest. Said Piggot: "If the Prime Minister does not like the job that I am doing, I can be gone in an instant." But so far, the Mulroney government continues to refrain from siding in any disputes, and Piggot expresses no misgivings about settling local feuds. Said the firm-spoken Piggot: "I've got the best job in the country."

COLUMN

A depressing sense of déjà vu

By Diane Cohen

The speech from the throne and the ensuing parliamentary debates have left us with an overwhelming, depressing sense of déjà vu.

The speech was much in the much-hated mould of an amateur cartoonist and vague promises of policies to come. Even when a specific program was announced—for example, the budget for 1987-88—the details were so vague that one had to wonder if the minister responsible for finance and the Prime Minister cannot agree on whether it requires new money or reallocated money. (The minister responsible for the Wheat Board settled the question by saying, "If a farmer gets a change he wasn't expecting, rarely that's new money to him.")

We have so long delayed putting the options on the table and making the hard decisions that we are rapidly approaching a time when crisis management of the economy and damage control will be all that is left to do.

The facts are these. In the 1980s and 1990s Canada enjoyed a golden era of prosperity. Wheat, meat and minerals, pulp and paper and crude petroleum were the mainstays of our economic performance before 1989. They were the source of wealth from which many cuts for our social policy initiatives. These seemingly beneficial national resources provided the economic substratum for a wide range of social welfare programs, including the Canada and Quebec Pension Plan, the Guaranteed Income Supplement, a comprehensive regional employment strategy, our current and future hospital insurance programs and the pension plan of the public sector. As well, the 10-member NCC board is made up mainly of nonpolitical political appointees. Dan Vernon, Thoms, a resident of Whitewater, had never been to Ottawa before his appointment in 1986 by federal officials.

For her part, Piggot insists that the NCC's first responsibility is to the federal interest. Said Piggot: "If the Prime Minister does not like the job that I am doing, I can be gone in an instant." But so far, the Mulroney government continues to refrain from siding in any disputes, and Piggot expresses no misgivings about settling local feuds. Said the firm-spoken Piggot: "I've got the best job in the country."

But since then the terms of trade have moved against us. According to Bank of Montreal economists, the real price of wheat is down by 44 per cent since 1980. Metal and mineral prices

are down by 48 per cent, pulp and paper by 26 per cent and crude petroleum by 37 per cent. We are poorer, and the evidence is there for all of us to see that productivity, high unemployment and a low-valued dollar, in lower commodity prices, lower demand and in the fact that the management budgets of the mid-1980s to mid-1990s have, over the 1987-1990 period, become increasingly out of line. According to Wendy Dobson, president of the Wheat Board, our standard of living has fallen enough the per cent since 1980.

What to do? It seems clear that the first priority is to recognize that the decisions to 1993 really were the good old days—good but unfortunately not forgotten. For 16 years the world economy has been in turmoil. As Chagnon says: "The rewards are going to those nations that are able to allocate and reallocate resources quickly and

There can be no economic security for anyone who lives in a country that fails to adjust to a changing world economy

efficiently in response to changing world demands. Indeed, because we have a small market at home and protectionism is rising, we are under even greater pressure to adjust than any of our trading partners."

Dobson echoes the theme: "We have to adapt to market and social change. Policies and disciplines have to become more flexible. We have to adopt state-of-the-art technological faster. We have to develop better marketing strategies."

Why? For the simple reason that there can be no economic security for anyone who lives in an economy that fails to adjust. Essentially, this sentiment is echoed in other public statements in a speech given to the Canadian Club in Montreal last month. Grant Redden, president and chief executive officer of the Bank of Montreal, said:

"Our prosperity depends more heavily on us of our human, land and work and the efficient management of labor and capital. The costs of self-indulgence and inefficiency are not likely to be compensated for, as they were, by the bounties of our natural resources."

With so many people pointing in the same direction, the running link is the decision-making process lies in the vacuum of public policy. As Redden says, "If we simply sit back with present policies and practices and hope to ride on the coattails of growth in the world economy, it is likely that the Canadian economy will perform worse than that of the United States and a number of other countries in our economy."

The last elements are the strategy that will at least give us a fighting chance to adapt and stop putting power at the expense of others. There are three. First, access to the U.S. market. Canada is heavily dependent on trade. One-third of our GNP comes from external trade and fully 80 per cent of it is with the United States. Multilateral trade deals are fine, but they are too slow to help as the year must.

Second, the trend in the deficit must be reversed. The number is not particularly important, whether the number is getting bigger or smaller. It is true we recognized that a growing deficit is the result of continually accepting more than we are willing to pay for. As a result, our interest rates and our taxes are higher than they need be.

Third, the tax system has to be reformed. We need lower personal rates. We also need to reduce the deficit. Seconding at this is going to involve targeting social programs to meet the needs of the 1990s, not the 1980s.

Fourth, the social policy review promised by the Prime Minister and the finance minister has to be taken. Canadian social programs, says Chagnon, were designed in the 1960s and early 1970s. They were an idealist vision. In those difficult times we had the luxury of designing social programs without much concern about how they related to the economic system. We no longer have that luxury."

Fifth, regional disparity has to be addressed, not from the old belief that every problem can be solved by throwing money at it, but from the new perspective that people have to be helped to move, change and find new ways of doing things.

In the past good luck has taken the place of coherent policies, brutal consensus and making hard choices. Now, Canadians are going to have to rely on innovation and quick wit. Can we turn it around fast enough?

Diane Cohen is a Montreal-based economics writer.



A drawing of knives

The offices of Public-Media, a Montreal advertising agency, are located on the ground floor of a grey stone four-storey building on tiny St-Denis in the city's old section. Recently, the firm's staff has been sharing its premises with a group of disgruntled Liberal party members—as many as 10, as few as two—who occupy desks with push-button telephones. Their task, calling delegates to the party's Nov. 27-to-30 national convention in Ottawa, is to vote in John Turner's leadership. It is the first informal association of Liberals to set up shop and publicly proclaim its political agenda, and its chief, unspoken message is that Turner should be replaced. Said Public-Media partner Samir Derval, both host and participant in the telephone conference: "The Liberal party cannot win with John Turner."

According to some party officials, the Derval clique is not the only one now asking convention delegates to vote in favor of holding a leadership convention. Loosely connected cells of nationalists have been formed across the country. Indeed, Macrae's has learned that a circle of Liberals close to Senator Keith Davey is actively considering a campaign to replace Turner with former prime minister Pierre Trudeau. Under that plan, Trudeau would return as leader next year and lead the party into an election expected in 1988. Trudeau would present Canadians that he would only serve for two years as prime minister. That would open the door for a leadership campaign in 1990—to make way for an unapologetic leader.

Although as nationally organized movement to dump Turner has emerged, many of the smaller units have another link they backed Jean Chrétien. Turner's unsuccessful run at the party's 1984 leadership convention, Chrétien, a high-profile minister in the Trudeau years, is not—his former supporters say—involved in their



Turner, mostly connector calls of nationalists

ing to open an office in Quebec City. I want to dial their telephone number and see what they answer—the pre-Chrétien group or what."

Overall, the strength of the pro-Trudeau forces remains unclear. Most of the dissidents are working underground, concentrating their efforts on rank-and-file members instead of party hierarchies. Whatever their strength, they seem to be compensating Turner's preoccupation as he prepares for the November convention. Although the Liberal and the Conservatives in public opinion polls—a Gallup poll published last week put support for the party at 28 per cent, compared

to 38 and 39 per cent for the Conservatives and New Democrats respectively—Turner personally trails both Prime Minister Brian Mulroney and NDP Leader Ed Broadbent.

The Turner camp has also been plagued by a persistent series of uncomplimentary rumors in Liberal circles, ranging from gossip about the leader's domestic life to doubts among his staff and the possible departure of Raymond Garneau, his Quebec lieutenant. Garneau, 68, was approached about a month ago by Quebec Premier Robert Bourassa, a fellow Liberal, and offered a key public service appointment—namely, probably the chairmanship of the Crown corporation Hydro-Québec. But Garneau told Macrae: "I said [to myself] that he should look for somebody else, because I couldn't see how I could replace my son." In fact, Garneau not only denies plans to leave Ottawa after the November convention, he intends, he says, to run in at least one more federal election. Bill Bourassa (estimates contested again last week that Garneau would leave federal politics early in the new year).

But across the nation last week was Turner's future, not Garneau's, that preoccupied Liberals. Even some Turner loyalists predicted that he will win only slightly more than 50 per cent of the votes in November. Although

that would be a technical victory, and all that Turner says he needs to continue as leader, many Liberals privately voiced doubt that Turner could hang on unless he wins a much larger majority.

Orchestrating in Quebec, the anti-Turner coalition appears to have moved into other regions, especially Alberta and Ontario. The former Liberal and now disenchanted "pro-Trudeau" group made its way across the country to Ken Morris, a prominent Christian banker and president of the federal Liberals' Alberta wing, called a news conference last week in Edmonton to urge delegates to the convention

to vote in favor of holding a leadership convention. Turner quickly brushed off Morris's action, saying: "It is a free country, a free party. I never said I'd get assassinated."

In Ontario, George Young, former president of the party's Ontario organization, is actively working against Turner. Added Young: "I could name 25 riding presidents from Ontario who expressed an interest in the review op-

tre orientation, in the process losing the absolute loyalty of rank-and-file members."

Addressing a party fund-raising dinner in Ottawa last week, the Liberal leader was widely expected to come out swinging at his critics. Instead, he largely ignored the leadership issue, except in chiding Liberal Whip Jean-Robert Gauthier for his unfavourable introduction of the review op-

er. Gauthier is the anti-Turner forces' best known魁北克头目。他批评了特纳的领导风格，但特纳本人对此视而不见。在多伦多的一次筹款晚宴上，特纳被广泛预期会公开批评特纳的领导风格。然而，他几乎没有提及领导权问题，除了在斥责保守党鞭手让-罗伯特·高瑟时有所涉及。



Derval in his Old Montreal office: Garneau (below) and Turner leading in a race to win across the country

tion." Many Turner opponents interviewed by Macrae refused to criticize him publicly. But privately they complain that their leader has failed to formulate concrete "small-Liberal" policies. And although even his critics say that they like Turner personally, in their opinion he simply lacks the ability to win the next election. Exploited one key Turner opponent: "People who will vote against Turner will do it out of sorrow rather than anger."

Nonetheless, Liberals for and against Turner have been galvanized by the leader's unfavorable showing in public opinion polls and by sharp critical comments from various campaign organizers. Senator Keith Davey, a former Liberal and the Conservatives' in public opinion polls—a Gallup poll published last week put support for the party at 28 per cent, compared

another former Christian supporter: "I believe you are one of the few who is not after my job at the moment—at least I think so." Turner then delivered a pointed speech about allegedly unenforced Liberal policies.

Inside the Turner camp, his loyalists deny the existence of any systematic movement to stage a bloodless coup.

Said Macrae: "Samuel and Diane Johnston. The fact is that if there were any kind of organized campaign out there, I would have smelled it." Johnston also maintains that Châtillon himself, now passing his time not preparing for a second run at the leadership, "just spent 10 days with Christian in Quebec and Cyprus and I certainly didn't smell any cabal," Johnston declared. Indeed, both Châtillon and his closest political al-

lies are steadfastly avoiding being linked to the anti-Turner forces. Among these allies is Gérald Grégoire, who was Chrétien's old Quebec seat of Saguenay-Mauricie in a Sept. 26 by-election and who has been closely linked to Châtillon's passive plans for reorganization. Grégoire emerged from a Liberal caucus meeting last Wednesday on Parliament Hill to offer qualified support for Turner. Even Eddie Golden-

berg, perhaps Châtillon's closest ally over the past decade and a regular presence at party functions across the country, dismisses involvement in any down-Turner faction, including Châtillon's. But from his St-Denis vantage, Derval claims that other well-known Quebec cheerleaders for Chrétien—Édouard Morin, former director general of the party, and Jacques Corriveau, former Christian leadership campaign chairman—are part of the telephone campaign. Nor is Derval giving the long-distance telephone bills his callers incur, although he refused to say who he "do fund-raising," he said. "We have some money, say, a lot, but certainly much more than is needed to cover our phone bill." Whatever the total, those phone bills are clearly more of a headache for John Turner than for Gérard Derval's undisclosed sponsor.

Tough talk on a thorny trade dispute

It was the strongest statement yet of what was at stake in the bitter and long-standing dispute over \$88 billion in Canadian lumber sales to the United States. Speaking to a group of American journalists in her Ottawa office last week, International Trade Minister Pauline Marceau said that the current free trade talks between the two countries would be "superficial" if the United States proceeded with a proposed tariff on Canadian softwood. Washington, she warned, should expect "a strong response" from Canada if the dispute were not settled amicably. Marceau remained the reporters that Ottawa had supported the U.S. government when it staged the controversial bombing raid on Libya last April, and she added, "Canadians feel that any time you do anything helpful to the United States, they turn around and kick you in the face."

But despite intense activity on both sides of the border, there are few signs last week that the dispute would be settled before Oct. 30. On that date the U.S. Commerce Department was scheduled to rule on an application by American lumbermen for a countervailing tariff of up to 22 per cent on Canadian softwood. U.S. Commerce Secretary Malcolm Baldrige did perceive a conflict of lumber producers to recommend a "case only" compromise offer made by Marceau on Sept. 30. But 40 protectionist-minded congressmen quickly announced that they would press for formal countervailing legislation against Canadian lumber sales if the U.S. case were upheld. And bilateral relations—as well as the Conservative government's fragile free trade initiative—were further threatened last week by a new congressional bill that included a stiff customs tariff on all imports. In fact, The Washington Post last week urged both governments to scrap their goal of a comprehensive trade agreement and settle for step-by-step accords. Otherwise, said the Post editorial, the free trade talks were "headed for disaster."

The most significant development in the softwood affair came early last

week. Baldrige telephoned American lumber industry representatives to ask if they would wait until Oct. 30 before the Commerce Department issued its preliminary ruling on their complaint that the Canadian lumber industry was receiving unfair government subsidies. Baldrige, sources said, acted without Ottawa's prompting, as an apparent effort to avert an ugly confrontation like the one that followed President Ronald Reagan's approval of a heating-oil tariff on Canadian oil earlier this year. Marceau has learned that Secretary of State George Shultz telephoned External Affairs Minister Joe Clark Wednesday

—the after-work was now "an American problem," added the minister in an interview. "The United States is on the spot here. They have to show to the rest of the world that their trade law is fair." To that end, Canadian officials raised the dispute before a GATT (General Agreement on Tariffs and Trade) tribunal in Geneva, arguing that a countervailing tariff would constitute trade harassment.

As anxious Canadian lumber producers scrambled last week to ship as much of their product as possible across the border before the Oct. 30 deadline, a potentially more damaging proposal loomed in the horizon. Can-



Lumber awaiting shipment in Vancouver harbor. The United States is on the spot here.

day night to assure him that everything possible was being done to avoid a tariff, that the industry accepted Baldrige's request "to show we have made every attempt to solve the problem. We don't believe there is going to be any movement," Marceau said. Carney contended that the U.S. industry had never formally rejected her compromise proposal for an increase—reported to be about 10 per cent—above the 5 per cent tariff imposed by lumber companies to harvest timber on Crown land.

Carney discounted reports that the industry had been prompted by a new offer made privately to the Americans. "There's nothing like 'sudden' adjustments," she said, "there would be no further ne-

gotiations—the after-work was now "an American problem," added the minister in an interview. "The United States is on the spot here. They have to show to the rest of the world that their trade law is fair." To that end, Canadian officials raised the dispute before a GATT (General Agreement on Tariffs and Trade) tribunal in Geneva, arguing that a countervailing tariff would constitute trade harassment.

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Signs of a changing time

Few pieces of legislation in Canadian history have been as talked about—as emotional—as the charter of the French language. Passed in 1977 by Quebec's Parti Québécois government, the statute established the primacy of French, in part by prohibiting the use of other languages. And it was alternately praised and damned in diverse, if not always debatable, terms: those who saw the law as a necessary protection of French culture and those who saw it as discriminatory. The charter's most hotly contested article, Section 56, which bars

observers, it came only days before the Quebec Court of Appeal was expected to hand down a crucial and long-awaited ruling on the legality of French-only signs. In December, 1984, the Quebec Superior Court overruled the French-only clause on the grounds that it violated the province's Charter of Rights and Freedoms. Since then Quebec Crown attorneys have not been prosecuting companies or individuals that break the law. Bourassa had expected that he would await the Court of Appeal's decision, widely expected to uphold the previous ruling. But the premier, citing public opinion polls

and cabinet, after the retail chain store Zeller's Inc. openly began defying the law in August by displaying bilingual signs at its new Ville LaSalle outlet, several cabinet ministers publicly urged Justice Minister Herbert Marc to reverse his previous stand and prosecute the chain. Although Marc resisted, his office has been aggressively pursuing and prosecuting offenders using English-only signs.

At the same time, Bourassa was

urged to reconsider his decision to amend the law by Jean Martineau, chairman of the Conseil de la langue française, the province's language advisory body. Martineau cited a poll conducted for the council last June that showed 27 per cent of francophone Quebecers favouring bilingual French signs, but critics questioned the accuracy of the survey. Said Martineau: "It would be imprudent to believe that the people have voted strongly for one or the other choice is question. One cannot conclude that an easily one might think."

To date, 10 of 36 municipalities

in Quebec, an agency, is only one of several linguistic measures the Liberals have committed themselves to taking. Education Minister Claude Ryan last month announced plans to allow French-language schools to begin teaching English in the first grade next fall, instead of the present Grade 4 minimum. And last week a government committee recommended changes in the language charter to recognize and combine the Council de la langue française and three other provincial bodies involved in language regulation.

Although such ultranationalist

groups as the St-Jean-Baptiste Society have accused the Liberals of dismantling the language charter, all sides recognize that once the signs issue is settled, many Quebecers will be in accord with the remainder of the law. "This is one of the last real emotional issues," declared Michael Goldblatt, president of the anglophone rights group Alliance Québec. "If we can get through this step, we can go on from here more logically and less emotionally." But unless the signs issue is resolved soon, Quebecers may face more linguistic storms before calm returns.

Still, the Liberals concede that language remains a divisive issue. Opinion surveys have repeatedly demonstrated that, overall, the charter is one of the most popular pieces of legislation ever introduced by the nationalistic Bourassa, who as premier in 1976 was shown, threatened and spied upon when he attempted to implement Quebec's first restrictive language legislation. But likely to face a hostile reception this time. But the debate over the language of signs has spread as far as his

—ANTHONY WILSON SMITH in Montreal



Bilingual storefront in Montreal plans to change an 'unilingual' law

any language but French from appearing in almost all commercial signs. Said anglophone Brad Sewell, parliamentary secretary to Liberal Premier Robert Bourassa: "Among nonfrancophones, there is an almost visceral hatred of the charter."

Since his election last December, Bourassa has been reluctant to discuss the issue for fear of reopening the bitter debate. But last week the premier told MacEachern that he will assess the law before Christmas to allow bilingual signs again. "It is not normal for a civilised society to ban languages in such an unilingual fashion," Bourassa said. "I am confident francophones feel confident enough to themselves to support this measure."

Bourassa's decision surprised many

that show as many as 80 per cent of Quebecers in favour of allowing other languages alongside French, said that he was assessing his plans before the court decision because "I want people to know where the government of Quebec and myself stand."

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Vander Zalm on the campaign trail in Kamloops; Shelly (below) 'debutante'

The NDP's uphill fight

Had it come from any other political leader, the slip would hardly have been noticed. But it immediately put Robert Shelly on the spot. During a speech last week at Simon Fraser University, in the Vancouver suburb of Burnaby, the leader of British Columbia's New Democratic Party tripped over his words. Reading a newspaper headline—“Ottawa says B.C. needs aid in job crisis”—the NDP leader mistakenly said “aid” instead of “aid.” When the audience of 300 burst into laughter, Shelly joined in. “There,” said Shelly, looking down at the television cameras. “Now you’ve got your news item.”

Shelly's gaffe was intended to be humorous, but it contained some bitterness. With the provincial election campaign in the final days, Shelly and his party are trailing Premier William Vander Zalm's Social Credit government in the polls by a wide margin. Much of the blame has been placed at Shelly himself. Since his nervous appearance at his first campaign press conference, the 33-year-old former teacher has fought to refute stories that he is a shabby, unconvincing leader who could not withstand the pressures of political office. His opponents contend that the media have magnified Shelly's every slip and stumble, contrasting his bumbling, nervous style with Vander Zalm's polished oration. One local television station

even characterized the Shelly campaign as a “Southpaw.”

Whatever it is, Shelly, the NDP campaign is clearly in serious trouble. Anxiously as a year ago, the New Democrats led the Socials by seven per cent in a public opinion poll. But Social Credit's stock has soared since Vander Zalm succeeded the retiring William Bennett as premier on Aug. 5. A poll taken by a Vancouver TV station early in the campaign showed the Socials leading the NDP by 30 to 20 per cent—an astonishing margin in a province where elections are often won and lost by a whisker. The figures would translate into a 56-to-40 landslide for Social Credit in the expanded 60-seat legislature (standings at dissolution: Social, 32; NDP, 22; Conservative, 1 and three others).

Although the year's performance has prompted speculation that if Shelly could be replaced by Vander Zalm, Michael Harcourt, who is running for the NDP in Vancouver, said a frustrated David Vickery, NDP candidate in the Victoria-area riding of

terred the final week, many voters voiced concern that if NDP voters might instead support Vander Zalm to his final full term as premier—and despite Shelly to political oblivion.

—SUSAN TAPFER in Victoria

Shambles and the Islands: "At the grassroots level we're well organized, but the closer you get to the top, the more we're out of condition."

Attempting to salve the offence, Shelly has accused Vander Zalm of hiding his postelection plans and running a shadow campaign that puts style before substance. "They don't want to be honest about what they're going to do to you after the election is over," he said. Along with the joke, Shelly has laced his speeches with promises, including pay equity for women in the public sector and an increase in the minimum wage—to \$6.65 an hour from \$6.60.

In response, Vander Zalm has resorted to a well-worn Sound tactic—portraying the NDP as spendthrift socialists who would bankrupt the province if they carried out their promises. Throughout the campaign, the 26-year-old self-taught entrepreneur has exuded a charm that has won over many supporters of Ronald Reagan. Indeed, Vander Zalm disclosed last week that he has taken a leaf from the U.S. President's book by making his debut as a movie star. The premier, who emigrated from the Netherlands when he was 13, will soon star in a one-hour, 40-minute film called *Scandinavian Fishing* (Sous le Ciel Partagé). His role: that of a young Netherlands who emigrates to Canada and becomes successful in business and politics. In one scene, he is transported back to Amsterdam on a sailboat.

For Shelly, the target was irreducible. The movie, he said, should be titled *Sous le Ciel Partagé*, after the 1961 film *Bedroom for Breakfast*, in which Reagan played next to a champion. Added Shelly, referring to the Vancouver suburb where Vander Zalm is raising "I think the rainbow is going to end in Richmond." The lines drew big laughs from a partisan crowd in the Victoria town of Saanich Arms that as the election campaign entered its final week, many voters



—ANTHONY WILSON SMITH in Victoria



Ramsay's statements regarding him as the most vulnerable target of the Liberals

Political renovations

During its annual summer recess, the wood-paneled legislative chamber at Ontario's Queen's Park underwent extensive refurbishing. But this week, as the legislature returns for the fall session, the 125 members are likely to notice a renovation of a different sort. In a defection that shocked his own party, New Democrat David Ramsay announced last week that he would cross the floor to join Premier David Peterson's Liberals. The unexpected switch bolstered the standing of the minority government to 80 of the 125 seats, leaving the New Democrats with 39 and the Progressive Conservatives with 22. Ramsay, an able, 38-year-old farmer who represents the northern riding of Timmins-James Bay, said that Liberalism "is the party that I believe in, providing, but, despite, adding, "Even as a backbencher, I will have more input in policies that will affect the northern development."

The opposition immediately charged that the Liberals had seduced Ramsay with the promise of a cabinet portfolio. On a Far Eastern trade mission with Peterson, a straggly New Leader Bob Rae disclosed, "It is no coincidence that the efforts of the federal Liberals at their most cynical to snare away their opponents' supporters for those most naive or personally vulnerable." The Liberals held only one of the previous 25 northern ridings—until Rae. Ramsay's seat is Cochrane North. He resigned as minister of northern affairs and was in June amid conduct-of-officer charges.

—SHEILA AKEENHEAD in Ottawa

Ticketed for scandal

There's been no denouement, but the fallout threatens to damage the Calgary Olympic Organizing Committee (COOC) reputation. Last week authorities discovered that about 8,000 Olympic ticket applications issued for the 1988 Winter Games had been mailed to U.S. addresses containing recent envelopes to a Calgary company—not the COOC's official ticket office. Also revealed was a report to make ticket payments in U.S. dollars—contrary to the Olympic committee's Canadian funds-only policy. And officials were investigating why an additional 270,000 order forms, scheduled to have been distributed in the United States on Sept. 30, were still in a New York City warehouse last week. Acknowledged Jerry Joynt, communications vice-president for the COOC's organizing committee: "We've taken a couple of steps backwards."

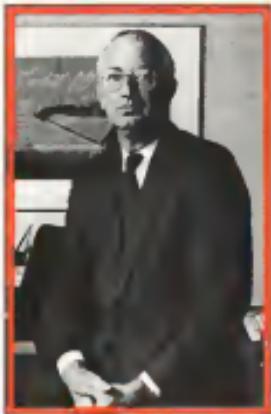
After fielding questions from U.S. residents who had received the modify-fest forms, COOC executives last week alerted the Calgary Fraud squad. Then, they placed ticket manager James McGregor on a month-long paid leave of absence. According to an Alberta government spokesman, McGregor owns 20 per cent of World Ticket, Inc., the company name printed on the return envelopes. The firm's directors: McGregor's wife, Diana, and his brother, Neil. A spokesman for Visa, the Olympic official ticket credit card, suggested that the purpose of the apparent fraud may have been to intercept the tickets and pocket the difference between the exchange rates on the Canadian and U.S. dollars—about 36 per cent. Said the spokesman, "There's quite an amount of money involved."

Already, the COOC has fired auditors Coopers & Lybrand to review the ticket sales program and to investigate why the 1988 order forms, totaling \$100,000, were mailed to American outlets. Visa's explanation for the delay the COOC ticket forms had to be rejected because the originals included insufficient space for the 16-digit U.S. Visa charge number.

For its part, the COOC continued to maintain that refunds would be issued on a first-come, first-served basis. But in the wake of the scandal, Joynt said that the committee may need an advertising campaign aimed at counter-balancing all the negative publicity.

—JOHN BOWIE in Calgary

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DANGER SIGNALS

WORLD/COVER

Bay any standards, it was an improbable meeting of the leaders of the world's two superpowers—held on short notice in an isolated island nation. In fact, President Ronald Reagan and Soviet leader Mikhail Gorbachev had each been under pressure from hard-line hawk hawks not to go to Iceland at all. But such a second round on peaking glacial negotiations over arms control toward a speedy conclusion. And each plainly believed that, face to face, the power of his own personal charm and persuasion could prevail. But last weekend, after more than 11 hours of talks at Reykjavik, that hope was dramatically dashed. U.S. Secretary of State George Shultz said afterward that he was "deeply disappointed" by the outcome. And Gorbachev warned that the arms race was "approaching a point of no return," which might bring "unpredictable military and political consequences."

Most At the heart of the stunning failure was the U.S. Strategic Defense Initiative, the space-based missile system known as Star Wars (page 30). According to Shultz, over the two days of discussions the two sides sketched out a potentially "breakthrough" agreement on a wide range of arms-control issues. But Reagan said that while he had agreed to delay the deployment of Star Wars for 10 years—by agreeing to adhere to the 1972 Anti-Ballistic Missile Treaty for that period—Gorbachev demanded that Washington agree to a 30-year ban on such as Star Wars deployment but on its development and testing in space. "This," said Reagan, "we could not do." Gorbachev said it was Reagan who blocked progress by insisting on the right to test Star Wars in space. Said Gorbachev: "It would have taken a madman to accept that."

Both sides agreed, however, that the secret they already reached would have been momentous indeed. According to Shultz, the agreement would have reduced the number of warheads on medium-range missiles from a projected total of nearly 1,000 warheads to a tolerable figure of 100; for such sides, that would have been based only in the United



Gorbachev and wife, Raisa, in Reykjavik, downplaying summit expectations

States and the eastern Soviet Union, leaving the British and French independent deterrents as the only such weapons in Europe (page 28). It also included the elimination of all ballistic nuclear missiles within 10 years, starting with 50-per-cent cuts. In addition, Shultz said that the superpowers had made some progress on the issues of nuclear testing and the verification of arms agreements, as well as on human rights.

Treaty talk The two sides had tried to downplay the rancor from the start, noting that it was not really a summit. But they brought a barrage of media—and a considerable measure of pride—in the quiet Icelandic capital (page 31), and they could not dispel expectations for a limited agreement. In the face of such a tantalizing near-miss, both sides expressed hope that the progress at Reykjavik could lead to further

summit accords. But they set no date for a full-fledged summit in Washington later this year. And, worst of all from the U.S. perspective, the breakdown seemed to shift the onus for arms control onto Reagan, who has made Star Wars a centerpiece of his presidency. It also led to criticism of Shultz. "We need a new secretary of state," said Jerry Hough, a Sovietologist at Duke University in North Carolina. "How could that man take Reagan into a summit that turned out to be a total fiasco?"

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summit accords. But they set no date for a full-fledged summit in Washington later this year. And, worst of all from the U.S. perspective, the breakdown seemed to shift the onus for arms control onto Reagan, who has made Star Wars a centerpiece of his presidency. It also led to criticism of Shultz. "We need a new secretary of state," said Jerry Hough, a Sovietologist at Duke University in North Carolina. "How could that man take Reagan into a summit that turned out to be a total fiasco?"

Treaty talk The two sides had tried to downplay the rancor from the start, noting that it was not really a summit. But they brought a barrage of media—and a considerable measure of pride—in the quiet Icelandic capital (page 31), and they could not dispel expectations for a limited agreement. In the face of such a tantalizing near-miss, both sides expressed hope that the progress at Reykjavik could lead to further



Reagan and Gorbachev at Hotel House (great strides) made in 11 hours of talks—but then everything fell apart

PHOTOGRAPH BY GENE KOREK FOR TIME

dy which apparently did not cause much diplomatic consternation. Explained one White House official: "We don't have a bilateral agreement where one lady has to show up when the other one does."

Attack. In the days leading up to the isolated meeting, Reagan seemed to be preoccupied mainly with fending off attacks from right-wingers in his own government and the Republican party at large. The target of their criticism was Shultz, who has apparently won a long-simmering battle with Defense Secretary Caspar Weinberger for Oval Office influence. Hard-line blamers blame Shultz, not only for negotiating the

deal with Weinberger before the defense secretary left last week on a 12-day-around-the-world trip to meet with military leaders from Peking to Paris. And although the President's advisory team in Iceland included two hard-liners, arms adviser Edward Lazear and assistant defense secretary Richard Perle, conservatives claimed that neither man was personally close to Reagan or likely to have the kind of political clout necessary to make lasting pragmatism an other option.

Reagan's critics persisted even though

Reagan—who once described the Soviet Union as the "evil empire"—mounted an intense campaign to reaffirm his anti-Soviet credentials. In a White House speech to about 100 businessmen

with the 1976 Helsinki human rights accord, Reagan promised: "For this country, and for the world, under any sensible conditions," he pledged, "I will make it amply clear to Mr. Gorbachev that unless there is real Soviet movement on human rights, we will not have the kind of political atmosphere necessary to make lasting pragmatism an other option."

Reagan's critics insisted afterward that he had asked Reagan to talk to Gorbachev about the cases of fellow prisoner Andrei Sakharov, who is in internal exile in Gorky, and Anatoly Marchenko, a worker sentenced to a labor camp for subversive activity. Lat-

Reagan also used the Iceland meeting to play political leverage or a counter-espionage spending bill. The \$6.7-billion legislation, which contains funds for all major government functions for 1985, includes several arms-control amendments inserted by House Democrats and opposed by the White House. Most objectionable to the administration would be a ban on most nuclear testing and a requirement that Reagan continue to abide by the unratified SALT II treaty. Just last week administration officials said that, by Nov. 11, they may extend a treaty limit by expediting a 133rd bomber with cruise missiles. As the current money bill neared expiration last week,

Reagan threatened to veto the legislation if House Democrats did not drop the two offending provisions from the new bill, and he accused them of trying to "tie my hands" at the arms talks with the Soviets.

Right. Gorbachev told reporters afterward that he had received a message from the White House

way back to prevent any improvement of East-West relations.

As the Reykjavik meeting approached, Gorbachev also suffered an unexpected embarrassment: a Soviet nuclear submarine that exploded and sank in the Atlantic Ocean about 1,000 miles east of New York and 1,600 miles south of Halifax, killing three crewmen. Making the best of it, the Soviet leader managed to score public-relations points by reporting the accident as a message to Reagan 30 hours after it happened. The swift disclosure may well have been a reaction to world criticism of Soviet carelessness in revealing the Chernobyl nuclear power-plant disaster last April.

But the submarine sinking was only the start of Gorbachev's misfortunes. The centerpiece was the announced pullout of six regiments from Afghanistan, part of a phased withdrawal plan unveiled July 1. Weinberger, on a stop in Peking, told Chinese officials that the withdrawal was a "ruse"—that American intelligence had revealed signs of new Soviet troops arriving in Afghanistan a few weeks ago. But the Soviet news agency Tass denied the claim, calling it an effort "to weaken the USSR" and undermine Soviet efforts in Iran.

Strong. Many also tried to discredit the Soviet negotiators on human rights, and not only by releasing dissidents. The state-controlled Soviet media, in an apparent attempt to show

that the Soviets were not the only ones with disabilities, published the strange case of Alfred Locklear, a 27-year-old Texas bohemian who had recently been fired from his job at a cancer research laboratory. Locklear claimed that the rx he had received blinded him for protesting Reagan administration foreign policy. Last week, his wife and their three children emigrated to the Soviet Union.

To Gorbachev, arms control is the answer to a continuing challenge where to get the money to modernize his country's stagnant economy. The economy grew by only 2.4 per cent in 1984 and 3.1 per cent in 1985, some of the lowest levels in the past few years, compared to 1985 growth of 2.7 per cent in the United States and four per cent in Canada. Electricity is old and decaying, and there are chronic energy shortages. Still, said a Western diplomat in Moscow



Reagan on arrival; Reykjavik by night; an unlikely harbor for a frosty moment after talks between the superpowers

Donald armistice, but for extending the deadline for the expulsion of Soviet diplomats from the two nations. As well, they requested reassurance that Reagan, in a second-term push to make his historical mark as a peacemaker, would allow Shultz to lead him into a strategically unwise arms agreement. In a telephone call to the President, Republican Senator Malcolm Wallop of Wyoming advised Reagan "not to succumb to the allure of détente, but rather retain your own philosophical convictions." And Howard Phillips, president of the right-wing Conservative Caucus, warned, "Shultz's foreign policy is confirmed as Reagan foreign policy; there is a grave danger that America will not be defended."

The right-wingers' worries were intensified by preparations for the Reykjavik meeting. Reagan did not even

mention the deadline to representatives of the National Council of Soviet Jews, passed out blue, although more than 31,000 Jews left the Soviet Union in 1979, fewer than 1,000 would be allowed to leave this year—while roughly 11,000 had been refused permission.

Soviet officials seemed to respond to the criticism. Last week they released Shultz, speaking to representatives of the National Council of Soviet Jews, passed out blue, although more than 31,000 Jews left the Soviet Union in 1979, fewer than 1,000 would be allowed to leave this year—while roughly 11,000 had been refused permission.

Reagan threatened to shut down the government if House Democrats did not drop the two offending provisions from the new bill, and he accused them of trying to "tie my hands" at the arms talks with the Soviets.

Right. Those provisions were not the only problem facing Reagan in Reykjavik. The shooting down of a rebel supply plane in Nicaragua, resulting in the death of two Americans and the capture of another, was highly embarrassing—particularly after the surviving American said that his supply flight had been directly supervised by the Central Intelligence Agency (page 41). In Iceland, the incident gave Gorbachev a ready answer to US charges of Soviet aggression in Afghanistan and meddling elsewhere.

Aiding to Reagan's discomfiture was the resignation of State department spokesman Bernard Kalb to protest a

journalist, did not confirm it. But, he said, "I do not want my own credibility to be caught up, to be subsumed in this controversy"—and, in the process, he dealt a blow to the administration's credibility at the eve of the Iceland meeting.

For Gorbachev, arms control is the answer to a continuing challenge where to get the money to modernize his country's stagnant economy. The economy grew by only 2.4 per cent in 1984 and 3.1 per cent in 1985, some of the lowest levels in the past few years, compared to 1985 growth of 2.7 per cent in the United States and four per cent in Canada. Electricity is old and decaying, and there are chronic energy shortages. Still, said a Western diplomat in Moscow

case: "The Soviet economy can lumber on ad infinitum if this serviceable role of ours is maintained. It is not going to fold up and die. The Soviet Union is not falling behind." That is what Gorbachev is trying to avoid. But to carry out his modernisation, experts say, he must decrease the country's military budget, which now takes an estimated 18 per cent of the gross national product. To do that, he clearly believes that he must stop the US Star Wars program, which threatens to force a high-tech—and high-cost—race for space-based weaponry.

But as an arms agreement on Star Wars could prove elusive. Despite considerable scientific skepticism that the system will ever work, Reagan is a true believer. As a result, the United States has rejected Soviet demands that both sides adhere for about 15 years to the 1972 Anti-Ballistic Missile Treaty, which bans deployment of space-based defense systems. Reagan has proposed adherence for 10 years. The Soviets clearly hope to change him by trading a reduction in long-range nuclear weapons. But although Reagan and Gorbachev agreed at Geneva to work toward a 50-per-cent cut in each strategic weapons, Soviet negotiators have since offered reductions of only 30 per cent, leaving the two sides far apart.

Lineup. Well before the Iceland meeting began, the superpowers agreed that the best hope for an arms accord was an medium-range nuclear missiles in Europe. In the secret talks in Geneva, the Soviets had originally insisted that both sides remove all their missiles. But gradually negotiations narrowed to the solution of about 200. Even then, the Reykjavik meeting got under way, the superpowers remained at odds over verification and US demands that the Soviets also observe a 500-warhead limit on missiles aimed at Asia.

A further complication was the issue of shorter-range Soviet missiles—SS-21a, SS-22a and SS-23a. Before the Iceland meeting, West German Chancellor Helmut Kohl appealed to Reagan to debate the issue of these shorter-range missiles along with medium-range missiles. Kohl had ample reason for concern: according to West German officials, the Soviet Union now had at least 400 SS-21a missiles, with a range of between 150 and 300 km, targeted directly at West Germany and another 200 pointed elsewhere in Western Europe. And a NATO intelligence source said that, if anything, the Germans were underestimating the threat. "There has been a slow buildup while we focused on SS-23a," said the source.

Reagan had no inkings of comparable range and, as Soviet maps of Reagan replacing its Pershing I rockets with the intermediate-range Pershing II in ear-

ly 1984. That fact alarmed a group of West German politicians and military officials sufficiently to cause the West German Social Democratic Party, which had the courage to try to score cuts in Soviet short-range missiles. Without these reductions, declared Alfred Dregger, the faction's leader as well as the parliamentary floor leader of West Germany's ruling Christian Democratic Union, "the USSR can maintain its nuclear threat even if intermediate range warheads are reduced, exploiting what has become a glaring shortcoming in our defense system."

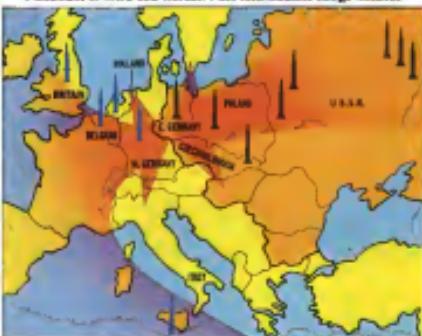
From the other end of the West German political spectrum, between 80,000 and 100,000 antinuclear protesters converged at week's end on a US cruise missile base at Manching, near Koblenz, in the largest demonstration of its kind since 1982. Five thousand police were deployed around the perimeter of

sites in 1988, so far has none. But Dutch officials emphasized last week that an arms agreement could not prevent them from accepting their present status.

Game. In Britain, an arms accord could improve Prime Minister Margaret Thatcher's chances of winning a third term in an election she is widely expected to call next year. Recent polls show the Tories trailing the opposition Labour Party by between two and six percentage points. Labour leader Neil Kinnock has vowed that if he forms the next government, he will shut down all six US nuclear bases in Britain and abandon Britain's independent nuclear deterrent. But an arms accord would allow Thatcher to argue that Reagan's hard-line position on East-West relations, which she has supported in the face of strong opposition, brought the Soviets back to the bargaining table and produced lasting gains.

UNDER THE NUCLEAR SHADOW

Placement of NATO and Warsaw Pact Intermediate Range Missiles



the base to keep demonstrators out. And the protesters' declaration: "The meeting in Reykjavik offers no genuine hope. We will not rest until there are no nuclear weapons left in Europe."

Shame. Still, an agreement on medium-range missiles promised to be popular in Europe. Under most rules, any reduction would be proportionate—based on the total number of missiles that each country agreed to accept, not the number now deployed under the staggered delivery schedule. At present, West Germany has 118 missiles; Britain, 65; and Italy and Belgium 18 each. The Netherlands, which agreed only last November to start deploying 48 cruise mis-

That was clearly Reagan's view as well, the one he hoped would be his foreign policy legacy. Gorbachev obviously would have a different interpretation, seeing his own initiatives as the driving force behind any agreement—and his plan for the Soviet economy as the underlying reason that no matter what brought the two men to Reykjavik, the fact remained that their meeting crushed ever Star Wars. The question now is where—if ever—the two leaders can pick up the pieces.

—ERIC LUTHER with JAN KERSEBACH in Reykjavik, WILLIAM LOWTHER in Washington, ROB LARKE in London and PETER LEWIS in Brussels



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Mayday at the Greenham Common protest: even one missile is one too many

THE VIEW FROM A MISSILE BASE

COVER

Behind a 13-foot-high, barbed-wire fence, a solitary policeman guards the entrance to one of Western Europe's largest missile or missile bases. Twenty metres away, six casually dressed women sit by a small campsite, chattering quietly while a blackened kettle boils water for their afternoon tea. The women are MAP Greenham Common, an air force base in the English county of Berkshire where for five years a dedicated band of peace campaigners has staged an often lonely protest against nuclear weapons. And last week, as hopes rose that US President Ronald Reagan and Soviet leader Mikhail Gorbachev might reach an agreement that would sharply reduce the number of nuclear warheads in Europe, the women who they might not believe that either man genuinely wished to slay the street rats. "Even if they do sign an agreement, it would just be a token gesture," said Linda Morris, who has lived at the peace camp for 18 months. "Anybody who thinks there is hope is misinformed."

Many European peace activists are not so quick to dismiss the importance of a possible compromise as an inter-super-power nuclear forum (SNF). To some, the meeting between Reagan and Gorbachev in Iceland last weekend represented the first real sign of progress in arms control since the two superpowers began building up their respective nuclear forces in the mid-to-late 1970s. According to proposals now on the bargaining table in Geneva, the Soviet Union would swap all but 33 of its 275-30-22 missiles now targeted on Western Europe. In return, the United States would slash its arsenal of cruise and Pershing II missiles—each equipped with one warhead—by 50—55 to no more than 100.

Impact: The signing of such an agreement would have an immediate impact on Greenham Common. The base, set in a rural country about 60 km west of London, is now home to 96 ground-launched cruise missiles and 1,200 American personnel who serve them. Analysts say that to meet the new limit of 200 warheads, the United States would likely remove all but 34 of these missiles. An equal number would be kept in each of the four other European countries that have accepted them—West Germany, Italy, Belgium and the Netherlands. Also, 20 Pershing II would stay in West Germany.

Still, not everyone in the towns and villages that surround Greenham Common is looking forward to a reduction in the number of missiles at the base. Katherine Johnson, 25, a window dresser who lives less than a kilometre away, and the wife would prefer that the missiles stay put. She added: "I feel quite safe with them there, and I do not believe that if we disarm the Russians will disarm." At the nearby White House pub, manager Mark Anderson said that he does not care how many cruise missiles are kept at Greenham Common. "The only thing is, a lot of people in the area feel that the American servicemen who live here are a pain in the neck. If there's a chance that some of the Yanks will go home, that will make a lot of people very happy."

Realities: In fact, many local residents say that they are bothered more by the peace campers than by the presence in their midst of weapons of mass destruction. Said Robert Hale, who lives with his husband and three children in a bungalow across the road from the airbase: "We had no estate agent over to look at the house recently, and he said that the peace campers are not helping the value." His husband, Colin, the chairman of the campers association, said "a necessary evil." He added: "They keep the peace. I suppose. But my own opinion is that they should be shipped back to America."

Apart from the hostility they encounter from some local residents, the biggest threat to the peace campers is squat. Three years ago, when the campaign against cruise missiles in Europe reached its peak, several thousand worrisome tourists stood outside the gates, attracting regular national television coverage. Since then their numbers have dwindled to less than two dozen. But the handful who remain say they will stay as long as there is even one missile at Greenham Common. Said Sarah Hispanus, a graying Scottish woman in her 50s who has slept every night for the past 3½ years in a red canvas tent pitched just outside the airbase: "What they do not tell you is that, even if 16 missiles are left, that is still enough to kill 38 million people. Where is the sanity in that?"

—ROSS LAYER with PHILIP WINSLAW at Greenham Common

ARMING FOR SPACE WARS

COVER

They met with the shadow of a space-age drama hanging over them. Last week as President Ronald Reagan sat down to talk with Soviet leader Mikhail Gorbachev, the President's Strategic Defense Initiative (SDI), commonly known as Star Wars, remained the most divisive item in arms negotiations.

For Reagan, SDI is a potential breakthrough in global security—and not negotiable. For Gorbachev, it represents a dangerous extension of the arms race—and a potentially massive drain of resources if he has to develop a Soviet counterpart. So far apart are the two sides on Star Wars that before the meeting Reagan's advisers were looking for ways to skirt the issue. But, as nuclear physicist and Pentagon consultant Michael Biese ("Pretending [out] is not there is like trying to sell a house without a roof and hoping the buyers will not notice.")

Controversy: Since Reagan announced the SDI research program in March, 1983, scientists have disagreed on whether the scheme can even work. There are other areas of controversy: some politicians claim it will cost the same to match the U.S. defense budget with some diplomatic armament as will return to the Strategic Arms Limitations Treaty. But the program has earned many researchers who say it would be a major boost for U.S. science. SDI has also gathered popular momentum, becoming for many Americans a draconian national goal—and a goal to prod the Soviets.

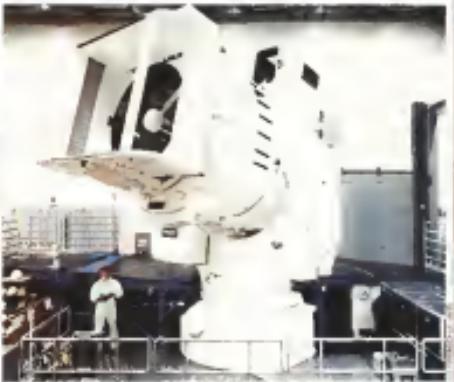
Even before the Iceland summit, Soviet spokesman Pyotr Pyzhov attacked the White House's "willingness to move toward preventing the breakthrough of nuclear weapons into space." For some experts, such statements indicate that the Kremlin believes, like Reagan, that SDI is feasible. That view is strongly disputed. The six-space shield—a complex network of orbiting and earth-based systems, including laser beams and sensing, tracking and aiming devices—will require difficult co-ordination by humans and computers and a vast amount of energy. Last July the Johns Hopkins Foreign Policy Institute said the system could not be deployed before the year 2020—and would cost \$60 billion.

Last year \$3 billion was spent on SDI research—and the White House has requested \$5.4 billion for next year. Although progress has been slow, there

have been some successes. In September, 1986, the Pentagon used a powerful laser to destroy a Titan 2 missile body in the New Mexico desert. Three months before that scientists directed a laser beam at an eight-inch mirror on the space shuttle *Discovery*—travelling 250 miles above Earth—and held it there for more than 2½ minutes. And also in June a Pentagon exper-

iment—now being developed may be accurate enough to destroy targets on the moon. On the ground, it could make tanks obsolete. Some scientists also argue that SDI findings may flow into civilian fields—which is the flurry of research during the Second World War yielded plastics, synthetic textiles, antibiotics and jet aircraft.

Last month Reagan said he may



Experimental U.S. laser beam: director: some successes, but big problems remain

ment brought down a dummy missile in space with a missile fired from Earth and a Pentagon spokesman: "We tried to hit a bullet with a bullet—and it worked."

Problems: Such successes do not obscure the overwhelming research and development problems that remain. For one thing, Star Wars will need tremendous computer capability—and immensely powerful software to direct the system. Unchecked software flaws could cause all or part of the system to malfunction in a crisis. Said U.S. air force Lt. Col. David Anday, assistant director of the six program: "I think it is the biggest technical problem for the program."

At the same time, some experts argue that no research will have a profound effect on conventional weapons. A "soft gun"—a high-energy atomic

gun to deploy Star Wars for TPS—can easily become a practical weapon given the years of research and development that even the most optimistic experts say are still needed. Reagan also said that developing that type of U.S. system would take place under the terms of the 1972 Anti-Ballistic Missile (ABM) Treaty. But last week U.S. officials and they would not allow the treaty to hinder SDI research—a clear sign that the White House will not back away from it. U.S. officials also claim that the Soviets are 10 years ahead of the United States in Star Wars research. Such words added a further chill to Iceland's fall air and underscored Reagan's warning not to expect too much from Reykjavik.

—PETER R. WILLIAMS with WILLIAM LOWTHROP in Washington and EDDY MECHE in Denver

In a small room at Canada's department of energy, mines and resources, External Affairs Minister Joe Clark's speech is the assembled audience was brief and off the record. His words are the experts from 17 countries in Ottawa last week to compare notes on the aerospace and space technology of arms-control verification, were encouraging—and much to the point on the eve of the Reagan-Gorbachev summit in Reykjavik. Clark stressed the importance of developing "practical" knowledge that could pave the way for arms reduction and faster new confidence between the superpowers. He added that verification technology—the means of monitoring nuclear tests, troop movements or weapons buildup—was a vital contribution to that. Canada's commitment to sponsoring that technology originated during former prime minister Pierre Elliott Trudeau's seven-month peace initiative in 1983-1984. Since then, Canadian Liberal and Conservative governments have contributed \$1 million per year to support scientific and technology research. Parliament, in the House of Commons last week, "Our interest now, as it has always been, is in making measures that will have practical effect."

Challenge: Practical may be the last word that sums up Canada's contribution to arms control. The Mulroney government clearly views its key-key approach as crucial—although experts are divided on that issue. Because the main stumbling block in negotiations has always been mutual distrust and the problem of verifying compliance with treaties, government officials say that proper technology can ease the way to disarmament. And outside of the superpowers, Canada is among the leaders in committing funds to verification technology research. Said Clark: "We have sold our capacity to prove what is happening, the less we are having to speculate, which can be the seedbed of distrust."

To that end, Canadian funds have



Trudeau on peace tour: the father of Ottawa's verification program

THE QUIET CANADIANS

COVER

gone into research for future missiles that would assess troop and weapons loads and into atomic technology for monitoring nuclear tests. Last February, Ottawa also announced that it would spend \$32 million over three years to upgrade a seismic monitoring station in Yellowknife, N.W.T. That station, well placed to monitor seismic events in the northern hemisphere, could become a key element in verifying a comprehensive test-ban treaty. But officials concede that technology is not sufficient if the superpowers are not serious about negotiating. "Obviously the most important question is political will," Clark told Maclean's last week. "Scientific capacity would be useless if there were no political will."

Reassurance: Verification is not the sole area of interest for Canada in arms control. Canada has the same goals as many other nations, reducing nuclear forces, banning chemical

weapons, bringing about a nuclear test-ban treaty and preventing an arms race in space. Still, Canada has appeared reluctant to apply pressure on the United States, either and many believe the Soviet Union is negotiating last week in Paris because he rejected a suggestion that the House pass a resolution endorsing President Ronald Reagan and Soviet leader Mikhail Gorbachev to pursue a test-ban treaty in Iceland. Canada should not offer "gratuitous advice," he told the House, adding, "Leaving from afar will not necessarily add to a constructive meeting."

Others share that assessment. Geoffrey Pearson, executive director of the Canadian Institute for International Peace and Security, a Canadian corporation, and that Canada would not accomplish anything by becoming "a tumor jutting at the heels of the Americans." Added Pearson, the son of former prime minister Lester B. Pearson: "We cannot push the Americans and Russians into anything."

Threads: As a newly created ally of the United States, Canada has a strong interest to argue the case for disarmament. But it is also geographically caught between the two superpowers. In the event of war, Soviet and U.S. missiles directed at each other could well pass a threat to Canada as they crossed over Canadian soil. And recently Canada has come to figure more prominently in U.S. military planning. Reagan's Strategic Defense Initiative, for one, is envisioned as a North American—and notably U.S.—defense system. As a result, some observers say that Canada has a greater duty to become more vocal. Dedicated retired admiral Robert Falls, president of the Canadian Centre for Arms Control and Disarmament, "Because the arms-control issues between the two superpowers have an impact on the rest of the world, the rest of the world has an obligation and a right to speak up."

—ALISON BAKER is a former

SPOTLIGHT ON A BLACKOUT

-CONT'D

They were, and eight Icelandic journalists and eight radio reporters. United Nations, UN, and Soviet flags. But their arrival at the three buildings placed in the service of the media in Reykjavik was enough to send a dozen TV crews and 15 photographers into a bane-chafing rampage.

Hotel, filled it with long tables and chairs, and the Press Centre. But the quality of international press, as measured by Soviet spokesman, from their table in the middle of the resounding dance floor, failed to catch the glitter of the scene. Less than 24 hours before Gorbatchev's arrival on Friday, one of



Skyskate, making souvenir T-shirts (below). Assuming the results buoy

for 26 minutes. President Ronald Reagan and Soviet leader Mikhail Gorbachev was planned as a three-floor session, leaving the 2,000 journalists, cameramen and television hunger for anything that resembled action. For Joe Hagan Magnussen, a Reykjavik public relations agent retained by the Icelandic government to oversee the invasion of foreigners, the problems of co-ordinating housing, telephones and equipment in just 10 days paid off before the potentially explosive implications of a press with nothing to report. Said Magnussen, whose department staged the peony parade to give the media an event—however minor—to cover: 'I do not know how frustrating it will be if the summit is a total blackout. They [the media] could turn on Iceland. So we have to keep you busy.'

Final chances that no one knew when their leader's flight was due two hours away at the Loftleidir Hotel, breakfast at the US Press Centre were almost as uninformative—and closed to cameras and those without White House press passes.

Aviation The Icelandic government was quick to take the opportunity of hosting so much of the world's media to promote the country's industry and culture. From private cars with drivers and guides were offered to reporters who might be interested in what a press release called 'lovely, interesting, totally non-political' startup. And

UNINFORMATIVE Soviet and U.S. spokesmen were offering little to report on. The Soviets retained a disco ballroom—complete with mirrored ceilings—in the newly generated Room

porter lost his way to a government press conference, he sought help from a passer-by—who turned out to be Hermannsman himself.

The government was not alone in taking advantage of Reykjavik's public relations possibilities. Spokesmen for several Jews, dissident groups and environmentalists arrived in the west, press releases in hand. Many of them got to work early. Reporters aboard an Icelandic flight from London were apprised by amateur correspondents from Greenpeace, the International Society of Jews for Students, a Jewish students' group who, as the plane neared Reykjavik, emerged from a washroom sporting "Free Soviet Jews" T-shirts. Said Greenpeace member Colin Hines: "We see there is going to be a valid and important role for us in this."

Unprecedented. At the same time, the small nation of 500,000 struggled to cope with the unprecedented influx. Having the media was almost as difficult as keeping them busy. Because of Reykjavik's 3,000 hotel rooms, tourists turned over to the Soviet and US delegations, much of the press corps had to room in private homes for an average \$70 a night. NBC news took over a newly built hotel at a hot spring 900 m from Reykjavik. And about 400 reporters were housed aboard a Norwegian ferry in the harbor, paying \$30 a night even though the boat has only eight showers.

The Icelandic government also instructed a new investigation procedure, demanding that all nonresidents pay for their accommodation—to which they were assigned on arrival—before anyone would look at their passports. Although Hermannsson said that he did not know how much the summit would cost, he stressed that he would make sure the taxpayers paid the bill. Hermannsson also said that he would be happy when the summit was over, and added: "I hope we will quickly recover." But, said Magnusson, hosting the summit has been a high point for the country because "there will be no one in the world who will not know about Iceland."

第14章 语义网 333



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Peres (left) and Mitterrand: A long-overdue and a joint decision to rechristen the relationship

ISRAEL

Israel changes guard

Right up to the end of his term of office last week, Israel's Prime Minister Shimon Peres continued to play the role of statesman. Only a day before he was to hand in his resignation to President Chaim Herzog—in order to change places with his coalition partner, Foreign Minister Yitzhak Shamir—Peres was in Paris meeting French leaders. There, the outgoing Israeli prime minister experienced an unannounced warmth after a wave of Arab terrorist bombings which killed nine people and wounded 170. The French appeared more sympathetic toward Israel than they had been for years. Neither side expected the visit to restore French-Israeli relations to the friendliness of the days before the 1967 Arab-Israeli war, when France was the Jewish state's principal arms supplier and steadfast diplomatic ally. But it did help to confirm the impression Peres had created during his years of Israeli service to most French with old friends who might be won over.

Peres surrendered the premiership, handing over a coalition agreement between his Labor party and Shamir's right-wing Likud party after no clear victor emerged from the July, 1984

election. Under the agreement, each leader was to be prime minister for two years. On taking office, the pale-skinned Peres had set out to improve Israel's image abroad after the shambles of the seven-year rule of Likud under Shamir and his predecessor, Menachem Begin. Domestically, Peres's policies dashed the country's inflation rate to 16 per cent from 445 per cent in 1984. Peres also made persistent peace overtures to his Arab neighbor Jordan. But as the change-over took place, even moderate Arabs complained that Peres had not gone far enough in his search for peace and expressed concern that Shamir might reverse the little he had accomplished. Said Jordanian Information Minister Muhammad al-Khathib: "A government under Shamir will not be closer to peace than it was under Peres."

In diplomatic, the last few months of Peres's leadership were unusually active. In July he went to Morocco for talks with King Hassan. In August he visited Cameroon, restoring ties with that black African nation for the first time since the 1973 Arab-Israeli war. In September he held a cordial summit with Egyptian President Hosni Mubarak after reaching agreement on a strategic border dispute. That same

month, Peres met for 30 minutes in New York with Soviet Foreign Minister Edward Shevardnadze, the highest-level meeting between the two countries since the Soviets broke off relations in 1982.

Throughout his term, Peres expressed a willingness to talk with Jon dan and with what he called "approved" Palestinians—those not members of Yasir Arafat's Palestine Liberation Organization—to discuss a peace settlement that would involve handing back at least some of the territory Israel occupies in the West Bank and Gaza. And in his final address to parliament as prime minister, he urged Shamir to "finalise the momentum." Said Peres: "We have not yet reached the final stage, but the door has been opened."

But Israel's neighbors remain skeptical. Jordan's Minister al-Khathib criticized Peres for "failing to make any serious public commitment," while such hard-liners as Syria's President Hafez al-Assad said that the lack of real progress toward peace "showed up the failures of the capitalization." Some Arab analysts say that with Shamir in control, there will be a heightened chance of war between Israel and Syria. And that would inevitably mean that Lebanon—from which Peres had withdrawn all but a handful of Israeli troops—will again become a battleground. One of Lebanon's warring religious factions, the Druse, clearly expect the worst. They had a name roughly midway between the Israeli border and Beirut, and last week they began to demolish scores of empty Christian houses for fear that Shabir might rechristen the area.

That Shabir might be closer to peace than it was under Peres?

In the face of such Arab concern, Peres has pledged to conclude his peace efforts as foreign minister, even though Shamir has consistently rejected my idea of creating a territory for peace. Peres went to Geneva to represent the survival of the omnibus government. While he was in Ottawa last month he declared, "We have an agreement, and I feel strongly about it."

—JEFFREY W. NEWMAN
DAVID BRENNER/for *Aviation*

CHINA

Red carpet for the Queen

To the Chinese at Ying Gao Na Plaza—the English Country Female King. To the rest of the world she is Queen Elizabeth II of Britain—and Canada. And days before her British Airways flight was due to touch down at Peking international airport on the evening of Oct. 12, the Conservative leaders of the world's most populous nation were hardly mentioning their new do-the-male and incurable outward appearance that the Chinese customarily present to foreigners. For the government of 88-year-old Deng Xiaoping, the on-day visit of the British monarch was unexceptional, setting the seal on China's entry into the mainstream of the world after decades of isolationism, upheaval and military ambition. But the British, in response, saw an opportunity to increase their share of a market worth \$35 billion in 1985.

The visit—the first ever by a British monarch to China—was five years in the making. Deng extended his invitation to Buckingham Palace. The visit, three before it was accepted last year. One major reason for the palace's initial reluctance was the unchanged note of negotiability over the future of Hong Kong, the tiny but prosperous British island colony just off the Chinese mainland. Under a leasing agreement, Britain was due to return it to Chinese rule in 1997, but the circumstances and safeguards for the exchange had yet to be agreed upon. When an agreement was finally signed by Prime Minister Margaret Thatcher and Deng in 1984, the way was cleared for the Queen to go.

Their invitation accepted, the normally austere Chinese leaders set about to create an atmosphere of splendor for their royal guest. In the days of China's own monarchy, when the last Emperor Puyi reigned, 1924-1949, squandered an entire naval budget to build himself a sumptuous palace. Elegantly furnished, gilded for almost 40 years, were thrown out of retirement or loaned to refurbish a former fishing resort of the emperor, now officially renamed the Guest House, where



Shabir's dining room; Her Majesty (below); a royal banquet and a hand seal

carpets, such as those engaged to weave a huge silk rug, featuring an embroidered dragon and phoenix, for the royal bedroom.

The Queen's Chinese hosts are also expected to travel an official Reindeer to carry her across Peking and to the Great Wall, an hour and a half's drive away. The People's Republic bought the Reindeer in 1980, but so far it had not been seen in the streets. Another, non-governmental, Reindeer was awaiting the Queen in Shanghai—the property of a patriotic Hong Kong millionaire who had it especially shipped to the capital for the Queen's convalescence.

The British royal family made a resounding effort to ensure the success of the visit. For the

past few weeks, palace sources said, Madelouche, the Queen has been taking lessons from an expert in the tricky art of handshaking chequers. And when she reaches Shanghai the Queen will return some of the lavish Chinese hospitality when her 5,769-ton royal yacht Britannia—one of the world's most luxurious private vessels—is the scene of a banquet for 60 of China's top leaders.

But there is another reason for Britain's presence. It is also as hard as a floating trade fair, and while the Queen tours the vast hinterland, dozens of leading British businessmen

representing most major companies in the United Kingdom, will be aboard to show their wares to the Chinese and attempt to land contracts worth hundreds of millions of dollars. With the announcement by Chinese officials only last week of a drive to develop a new generation of space satellites for industry and defense, the timing for Britain's arrival was propitious. Said one British trade official, as he prepared to fly to China last week: "With any luck, the ink on a lot of these contracts will be dry by the time Her Majesty and her Chinese guests sit down to dinner on board."



—JOHN BREWER WITH
ROBERT STAFFORD IN LONDON
JIM REDOLPH IN BEIJING



Reagan with Hawkins; Graham (below) taking on new national significance

THE UNITED STATES

The fight for Florida

The race for Florida's Republican power senator, Paula Hawkins, a 59-year-old former civil servant, is a challenge to two-term Democrat Gov. Bob Graham, a millionaire rancher and real estate developer. The race for one of the state's two Senate seats—one of the most expensive in the U.S. 4 months ago—is a close one. Apart from Maryland, where the two parties are locked in a well-matched contest for retiring Republican Senator Charles Mathias's seat, Florida appears to be the state most likely to change political allegiance. Indeed, as President Ronald Reagan battles to retain the Republican party's slim 51-seat Senate majority, Florida has taken on new national significance. Reagan has visited the state twice during the election campaign and plans another stop later this month.

Until last month, Graham, 48, enjoyed a comfortable lead of as much as 15 percentage points in election polls, running solely on his governor's record. But then, looking for an issue to galvanize the campaign, Graham began to attack the incumbent for her Senate voting record on drug-related issues. In television commercials, Graham accused Hawkins of voting to cut funding for the Coast Guard, which patrols Florida's 1,300 miles of coastline and interdicts drug smugglers. Hawkins, whose fellow senators have

denounced "the general in the war on drugs," responded with TV ads accusing Graham of being weak on crime testing for illicit drugs. But Miami political analyst Roberta Salokar says that by pushing the patently ridiculous issue, Graham has probably lost some voters.

"This campaign is getting pretty heavy for the public," said Salokar. "Graham is sending a signal to voters that he is concerned about his margin of safety."

Apart from drugs, Graham and Hawkins have raised few substantive issues. Instead, they are waging the most expensive Senate election campaign in Florida's history. Graham estimates that he will spend about \$5 million to Hawkins's \$8 million, mostly in TV ads which reveal little about the candidates' policies. But Paul Beck, a polling expert at Florida State University, "This kind of spending on television really does not tell voters much about what they are going to get by buying into one candidate or the other."

The heavy use of television, instead of such traditional trappings of electioneering as billboards and bumper stickers, reflects the peculiar political



weeks, recuperation from spinal surgery forced her to cut down on presidential appearances and wear a neck brace. With less than three weeks before the vote, she will need all her resources to fight off Florida's popular governor.

PETER KLEINMAN in Miami

realities of the state. According to University of Miami political scientist Vergil Shufley, one reason for the scant election signs is the lack of aggressive political participation in the United States. Said Shufley: "Political parties are not strong anywhere, but in Florida they are almost nonexistent." As well, Florida's growing population—two million new residents have arrived since 1960—is highly mobile, tending to congregate in 30 centres from Pensacola in the north to Key West in the south. "The only way to reach such an unstable population is through TV blitzes," said Shufley. "Generally, most voters are only getting a shallow, one-dimensional look at the candidates."

The political leanings of the state's residents also appear to be undergoing a massive change. A decade ago, 75 per cent of the state's registered voters were Democrats. Since then, many Democrats have switched to Reagan, and now Democrats account for only 65 per cent of the 5.5 million registered voters. In 1980, voting for Reagan's unstoppable bourgeoisie, Hawkins was for the Republicans—only the second time since the turn of the century that the Benin post has gone to the party of Abraham Lincoln.

For voters, the choice between Hawkins and Graham has been made more difficult by the fact that neither candidate can be easily tagged a Democrat or a Republican on the basis of his or her policies. During Democrat Graham's eight years as governor, Florida has sent 16 convicts to the electric chair, second only to Texas, in direct defiance of liberal Democratic principles. But while Graham has been stamping hard on the campaign trail, Hawkins got off to a slow start. In the early

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NICARAGUA

An American in Nicaragua

The headline on the front page of the *Managua Times*, *Benson & Hedges* declared. "The downfall of Somoza." Behind the headline, a full-page photo showed big, burly Eugene Hasenfus being led on a leaden rope by a short, dark-skinned Sandinista soldier. Then, four days after he was shot down over the jungle by a ground-to-air missile while taking part in an arms supply drop to contra rebels fighting the Nicaraguan government, Hasenfus told reporters that the mission had been directed by the U.S. Central Intelligence Agency (CIA). Hasenfus, an ex-Marine and Vietnamese veteran, had parachuted to safety moments before the C-130 transport in which he was riding with two other U.S. citizens and an unidentified Latin American plowed into dense jungle, killing his companions. The 45-year-old Hasenfus is the first American to be captured alive in almost four years of war between the CIA-backed contra and the leftist Sandinista government. His statement that he had been working under CIA direction bolstered Sandinista charges of secret U.S. military involvement in the "contra" guerrilla campaign. Said Alejandro Bedolla, the secretary general of Nicaragua's Foreign ministry: "This is obviously a CIA operation. Whether they are U.S. army personnel or not is almost beside the point."

Earlier the Sandinistas had downed journalists in the crash site where they viewed antiaircraft shells, thousands of rounds of ammunition, grenades and combat boots salvaged from the plane. Nicaraguan army intelligence chief Capt. Ricardo Wheelock said that the aircraft was one of 15 rebel supply flights over the past three months initiated by CIA-operated Sandinista agents flying out of El Salvador. And Hasenfus's subsequent own statement seemed to confirm

that. He said that he had personally made 10 supply flights into Nicaragua from bases in El Salvador and Honduras and mixed two Cuban Americans who he said were CIA men in charge of the operation.

In Washington, government officials

said very, very brave people who have been willing to actually bring this material into Nicaragua."

If so Hasenfus claimed, the CIA was involved in the covert flight, that would be a breach of American neutrality laws. In the United States it is illegal to plan or recruit within the country for any military action against a nation with which Washington is officially at peace. Some US officials last week put responsibility for the ill-fated arms drop on retired U.S. army major general John Singlaub, who now heads two private right-wing groups and has reportedly raised as much as \$10 million for the contra. But he too denied involvement. "It had nothing to do with me or any of my affiliations," he said.

Even some congressional supporters began to express doubts about the administration's denials. The downed cargo plane and some of its crew apparently belonged to Southern Air Transport Co., a Massachusetts airline once owned by the CIA. Said Stephen S. Sosnak, chairman of the Senate Select Committee on Intelligence: "I assume someone in the U.S. government knows something about this, and the sooner they speak up the better." Committee vice-chairman Senator Patrick Leahy, a Democrat, added: "The administration is skating on the knife edge of credibility."

In Managua, Sandinista officials valiantly glared over their prime piece of evidence. But many Nicaraguans seemed apprehensive rather than triumphant. "We already know the Americans are involved," said Managua resident Vicente Castro. "They are not going to give up this war just because one plane got shot down. They can afford a lot more planes."



Hasenfus after being captured: 'On the knife edge of credibility'

and denied that the downed plane was an official U.S. mission. Declared U.S. Sen. Robert George Shadwick: "The people involved were not from our military, not from any U.S. government agency, or a coalition." President Ronald Reagan also denied any government involvement. But before the U.S. Congress approved \$200 million in new aid to Nicaragua, contra leader Gen. Junio Rios Ortega, known as "El Paisa," openly encouraged private efforts on behalf of the rebels. And last week assistant secretary of state for Latin American affairs Elliott Abrams praised the crew of the downed plane as freedom fighters. "What has kept the revolution alive," he said, "has been private citizens and

—ANDREW BLAKEY with PAUL GOVINDPURI in Managua



EL SALVADOR

A devastating tragedy at high noon

Over the past seven years El Salvador has seen more than its fair share of horror. A bitter war between the government and leftist guerrillas has led to the deaths of tens of thousands and caused widespread destruction. Then, just before noon on Friday an earthquake that struck the capital, San Salvador—with seven more tremors in the next few hours—brought a new dimension of tragedy to the long-suffering country.

So extensive was the damage that it may take days to establish an accurate count of the dead. Hundreds of men, women and children were believed buried—either alive or dead—

beneath the rubble of wrecked shops, offices, schools and apartment blocks. President José Napoleón Duarte recently declared a state of emergency after he hurriedly returned to the capital from a tour of the countryside. And from neighboring Costa Rica a four-man American team, skilled in dealing with disasters, arrived to assess relief needs. The disaster even reverberated as far north as Reykjavik is located. There, White House spokesman Larry Speakes gave the international press corps the only item of real news they were to receive on Saturday as they confronted a blanket of official silence about the quake between President

Ronald Reagan and Soviet leader Mikhail Gorbachev. The death toll in El Salvador, Speakes told reporters, was at least 250.

The White House takes a very direct interest in events in El Salvador. That is partly because Washington arms and trains the Salvadoran army in its fight against the rebels and it has passed \$350 million in aid into the country as far this year.

Reports from San Salvador itself were sketchy because of damaged communications lines. But reports from the capital described widespread devastation in the city of 500,000. One of the worst-hit sites was the 18-story Ríos Arellano building in downtown



San Salvador quake scenes: giving survivors (left) a new dimension of honor to the long-suffering country

San Salvador, which was packed with shoppers in a ground-floor department store while hundreds of businesses and their staffs worked in offices above. The force of the first shock—registering 5.4 on the Richter scale—brought the entire building down in a tangled heap of broken concrete and twisted steel. Scores of people were inside, pinned down under tons of rubble as rescue workers struggled to reach them. One local radio station estimated the death toll in that one building alone at more than 100.

Another site where loss of life was heavy was the Santa Catalina school, where 15 children died. "It was terrible, terrible," wailed teacher Juana Hernández as she clung one of her pupils who had escaped unharmed. In the street outside, mothers wept as bodies of the dead children were laid

out on the sidewalk. One woman sat clutching the body of her child until a doctor came along and asked, "Can I take it away?"

Rescue operations were seriously hampered by a shortage of heavy rescue equipment and by interrupted water and electricity supplies. At the same time, cars filled with people trying to get out of the city clogged the main streets. Tired Red Cross workers had to quench their thirst with coca-cola because there was no water. And at the city's general hospital, doctors and nurses who had evacuated the building, fearing its collapse, turned the eye park into a makeshift field hospital. There they operated on earthquake victims under lights that were kept burning by an emergency generator.

As troops patrolled the streets to

prevent looting, hospitals broadcast appeals for blood and bottled water. The government asked people to relieve pressure on the few phone lines that were still working by not calling up hospitals and radio stations for news of relatives and friends. And Duarte also went on the air to appeal for calm and urge people to keep away from damaged buildings.

Two American tourists—Robert Andre and his wife, Pam—were sitting in a panga parlor opposite a children's hospital when the quake struck and the roof fell in. "It was the only ones who got out," she said. Added her husband: "They were digging out kids, babies." It was just one of hundreds of tragic scenes across a city already cloaked in sadness.

—JOHN BIERMAN with correspondents' reports

Talks with a minister and his wife

It was time for Bay Street to take the witness stand, and the testimony was disturbing. Last week two powerful leaders of the Toronto financial community—Thomas Kierans, president of the investment firm McLeod Young Wier Ltd., and Trevor Ryton, chief executive officer of Bausman-controlled Bausman Ltd.—made appearances before the judicial inquiry

executives who were involved in the industry department's affairs and attempts to influence York Centre. And last week's events highlighted the often delicate nature of association between businessmen and elected officials. Kierans told Macleod's in an interview last week, "The interrelationship between politicians and the business community is very much on trial."



Stevens: Two meetings, a letter and disturbing evidence

into the affairs of former federal industry minister Stauder Stevens. Kierans surgered the inquiry when he said that at a meeting with Stevens in July, 1985, the minister asked him to meet with his wife and business partner, Noreen, about an investment problem. And Ryton was questioned about a letter he received from an investment dealer. Acting on instructions from Stevens, the dealer had asked Ryton to discuss a plan to raise money for York Centre Corp., the former minister's troubled holding company.

The testimony from the two executives came during the 13th week of the inquiry, which is investigating allegations that Stevens violated federal conflict-of-interest guidelines while he was in Prime Minister Brian Mulroney's cabinet. Since last month, the inquiry's lawyers have begun examining concessions between government

and portfolio worth between \$14 million and \$17 million.

Two days later, on Friday, Aug. 2, Noreen called Kierans's office and made an appointment for the following Tuesday, Aug. 6, at 10 a.m. But on the intervening Sunday, Kierans said, he received a call from Stevens asking whether he was interested in the job of deputy minister in the department of regional industrial expansion. The two men arranged a noon meeting for Aug. 6.

Ryton told the inquiry that at his meeting with Noreen, they talked about acting a portfolio of strip bonds—securities for which the interest payments on the bonds itself are adjustable. Kierans testified that he told the minister that it was strip bonds related to family holdings. Then, at his meeting later that day with Sinclair Stevens, Kierans turned down the deputy minister position. He added in his testimony that no business matters were discussed.

For his part, Bausman's Ryton was questioned about a letter he had received dated Oct. 29, 1984, three days after his appointment to the board of the CRTC. The letter, from James Davies, vice-president for corporate finance with the investment firm Richardson Green-shield Canada Ltd., began: "At the suggestion of the Hon. Sinclair Stevens, P.C. M.P., I was attempting to contact you last week in connection with a proposed private placement of exempted float rate notes of York Centre Corp."

Over the next 18 months, Ryton said, he tried on several occasions—but without success—to interest several investment dealers in helping the York Centre with its financing plan. Bedeviled Ryton, who said that he was sympathetic to Stevens's business problem: "I could provide some help in a circumstance where the minister could not help himself." And as the Senate inquiry continues, the type of help that businesses can offer parliament will come under increasing scrutiny.

—MICHAEL SALTER with
THEMIS TROJICO and ANDREW, and
SHEEHAN JACOBSON in Ottawa

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End of an annual event

Every October for the past 25 years William Schlesinger of Beeton, Ont., has joined a small army of Canadians selling Canada Savings Bonds (CSBs) to clients, friends and neighbors. Last year, the 75-year-old Schlesinger—who with his son, William Jr., operates a general insurance business in Beeton, a village in farming country 580 km west of Winnipeg—was one of roughly 12,000 individuals hired by investment dealers as sub-agents in the yearly CSB sales drive. Over the years, sub-agents have sold CSBs to Canadians in rural areas where investment dealers, banks and trust companies—who sold the majority of CSBs—did not have offices. But most of the sub-agents now are in cities—and financial institutions have greatly expanded their reach. As a result, when CSBs go on sale later this month, for the first time in their 50-year history Ottawa will not sell them through its agents. Instead, it will be an at-the-counter sale.

The federal government first issued Canada Savings Bonds in November, 1946, as a replacement for Victory Bonds, which it sold from 1942 to 1945, to help finance Canada's war effort. The new bonds helped to pay off the country's remaining war debt, and in later years part of the proceeds went toward the federal debt. But CSBs also offered individual Canadians a good way to save. Unlike other types of bonds, whose face value fluctuated if the holder cashed them in before maturity, CSBs offered a competitive interest rate and could be sold for the full face value plus accrued interest at any time.

Starting in the late 1970s, as Ottawa needed more money to pay its burgeoning debt, the government made CSBs more attractive. Interest rates on outstanding bond issues were raised—sometimes several times a year—to match the rates paid by other investments. But if interest rates later fell, the higher rate of CSBs remained in effect. As a result, CSB sales soared to \$15.1 billion last year from \$5.8 billion

in 1979. Said Carl Beigie, chief economist and a director for Toronto-based investment dealer Dominion Securities Inc., "While CSBs provide an extraordinary benefit for the small investor, they are an expensive way for the government to raise money."

In recent years Ottawa has reduced its dependence on CSBs by raising more cash through the sale of short-term treasury bills bought primarily by



Michael Salter, CFA, reducing Ottawa's dependence on bonds

large institutions, but available since 1984 to individuals in amounts of \$5,000 or more, treasury bills usually pay lower interest rates. In 1985, 41.7 per cent of the government's \$37.9 billion in outstanding bonds and loans was held in cash and 16.4 per cent in treasury bills. By 1986 only 24.9 per cent of the \$16.9 billion in debt was in CSBs, while treasury bills accounted for 28.8 per cent.

With its decision to end the use of sub-agents, Ottawa has taken another step toward reducing its reliance on CSBs. For his part, Schlesinger says that he will no longer encourage his clients to buy such investments as guaranteed investment certificates, which offer an even better return than savings bonds.

—MICHAEL SALTER is Toronto



SUSAN: Can I ask you a personal question?

KEN: Be my guest.

SUSAN: "How come your hair looks so healthy?"

KEN: "Would you believe Tegrin
Medicated Dandruff Shampoo?"



2. SUSAN: "Tegrin has got that particular problem cleaned up."

KEN: "If you want healthy looking hair, you have to start by getting hair and scalp really clean."



3. KEN: "When I began to use Tegrin, I regularly did a thorough cleaning job. And that who helps control that oily scalp that used to annoy me. My scalp feels cleaner."



2 WEEKS LATER

3. SUSAN: "Well, how do you like my hair?"
KEN: "Like a TV commercial! Using Tegrin Medicated Dandruff Shampoo, I am... Look... clean and healthy."



4. SUSAN: "Tegrin controls my dandruff and Iaching. I like the kind with hydrocortisone." **KEN:** "Hydrocortisone both get your hair and scalp really clean."

—BRUCE WALLACE is Wieden

Air war over the Atlantic

For Iqbal Chatalwala, the owner of a popular Indian restaurant in downtown Montreal, his twice-yearly business trips to India are crucial. Chatalwala, 30, used to fly between Montreal and Bombay on Air India. But since January, 1985, when Air Canada introduced its thrice-weekly flights from Canada to Singapore with stops in London and Bombay, Chatalwala has chosen the Canadian airline. Now the British leg of that route—which last year brought Air Canada revenues of \$13.7 million—is at the heart of a dispute between Canada and Britain that potentially could end all scheduled air links between the two countries.

In late September the British government served Ottawa with notice that it would cancel its 37-year-old air services agreement with Canada in a year. At the time of the announcement, British Prime Minister Margaret Thatcher said she planned to claim by British Airways that Air Canada was abusing the agreement by picking up an extraordinary number of passengers in London—a charge Air Canada denied. Under the terms of a 1981 amendment to the air services pact between the countries, Air Canada was entitled to pick up passengers in London and carry them to Bombay and Singapore in return for granting British Airways access to the then-desirable western Canadian market.

In a continuation of the economic downturn in Alberta and Air Canada's huge success at attracting passengers in London for its Far East flights has turned the British sour on the agreement. Said Douglas Donald, a spokesman for the British High Commission in Ottawa, "Air Canada is filling up its planes in London far beyond what international norms dictate."

If another agreement is reached, it will be negotiated between Ottawa and London, with the airlines participating only as observers. Nine months of negotiations failed to avert the British decision. However, both sides said that a new agreement is likely before the deadline of September, 1987. Said Michel Paquette, Air Canada's vice-president of international passenger marketing: "The British have strengthened treaties before and always reached an agreement at the eleventh hour. But it is a high-handed way to negotiate."

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BUSINESS WATCH

Lavalin's long march to greatness



By Peter C. Newman

helped bring about the tendered resignation of Guy Conacher, the respected president of Hydro-Québec. One of the utility's main issues is that because of the utility's rapid expansion it already carries a debt load of \$21 billion and is not ready to double it, as another four dams will add to the new megaproject may be in terms of job creation and Lavalin's own corporate ambitions.

"I have no doubt that Phase 3 of the James Bay project will start at once



James Bay

at least 10 years of study before we can start that."

Because Lavalin's engineering contract department was hit hard by the domestic recession of the early 1980s, Lavalin became determined to provide its own hydro expansion in the rest of the world. In the mid-1980s, Lavalin began a diversification of business outside the country from 50 per cent in the mid-1980s to 50 per cent now. At the moment projects are under way in more than 30 countries, and 17 permanent offices have been set up in Africa, Asia, South America, Western Europe and China. "Internationally," he says, "we plan to concentrate on the rest of those areas and we know there are lots of opportunities there. Also we have already started similar gas treatment plants in Alberta."

His immediate growth plan is Canada, which will enter into the health-care market, which is one of the most rapidly growing industries. Lavalin has already quietly acquired a 225-bed hospital, Imperial City's Grace, in Montreal's northeast end and wants to follow up with some major expansions in private hospital care.

Under Lavalin, Lavalin has been steadily piling up an impressive real estate portfolio as its own offices, six major office buildings in Montreal, as well as 115 Stamford Ave. in Winnipeg and 909 5th Ave. B.W. in Calgary.

In series of getting into wastewater, Lavalin's most important acquisition to date (at \$50 million) was the Ontario government's Urban Transportation Development Corp. line, which has plants in Kingston and Thunder Bay. UTDC made the highly successful SkyTrain for Expo 86 in Vancouver. Lavalin is also moving in a major way into the pharmaceutical and waste management industries. Both are attractive because they can be tied to long-term contracts that make financing relatively simple. Lavalin would not divulge details but he mentioned making a \$2-billion investment in pharmaceuticals in the next few years, and said he has already purchased a 225-acre site there formerly owned by Canadian Ultramare Ltd.

Curiously, Bernard Lavalin seems oddly uninterested in the future hydro growth he is plotting. He is already considering the U.S. market, which is not a priority right now. We're a bit afraid of moving there. We're a tough, protected nation, not by law but by their ways of doing business."

Lavalin's astonishing diversification

next year," I was told by Lavalin. "Bourassa is negotiating now with the United States and Ontario, and I feel they have in mind stretching the development over the next 10 or 15 years, with an eventual cost to \$80 billion."

"That is very reasonable," he stressed. "It will be done. Another management that is aware of a pipe dream is the Grand Canal (hosting James Bay water to purify the Great Lakes and for export to the United States). There will

The world's most expensive sports event

For 125 years the *America's Cup* rested serenely on its pedestal at the New York Yacht Club. The NYC captured the 100 Guineas Cup in 1851 after its yacht *America* won a 25-mile race around Britain's Isle of Wight. The disk renamed the trophy the *America's Cup*, and for more than four generations the 13-foot, 25-ton

iron-silver trophy perched with little ceremony at its hallowed Manhattan home on West 46th Street. As yachts replaced horse carts outside, few besides the blustery club members and the intrepid sailing yachtsmen who had the Cup noticed. Twenty-four years later the cup was challenged and 24 times. NYC defended its prime, the longest-running if least competitive. A list of victories is the history of sport. But in 1983, on a blustery September afternoon on the rolling waves of Newport, RI, the streak abruptly ended. Sailing a yacht with a radically different keel design, a broad crew from Australia defeated the U.S. boat, Liberty, and the *America's Cup* was suddenly thrust into the international spotlight.

The Cup now stands on a new pedestal at the Royal Perth Yacht Club, skinned by bullet-proof glass and flanked by two armed guards. And last week, under the eye of worldwide television and more than 2,000 journalists, the four-year, \$26-million obsession seems to determine a Cup challenger begins. On the Indian Ocean, at the port of Fremantle as the rest of Western Australia, 13 18-meter yachts—six from Canada and six from the United States—are competing to race against a representative of the Royal Perth Yacht Club. What was simply a sporting challenge in 1861 is now the world's most expensive sports event.

By mid-January, when the fleet is reduced to one challenger and one defender from four Australian contestants, the 17 sailing syndicates will have spent more than \$200 million (U.S.). The Canadian, with a budget of about



Canada II, the America's Cup (below); a multimillion-dollar race Down Under

\$2 million (Cdn.), are typical of the few spenders. Said Robert Thompson, chairman of the NYC's America's Cup syndicate: "People not interested in boating may think it's a waste of money. But whatever your cause, you justify it."

Central to the justification for the more than \$65 million (U.S.) budget of the American syndicate is national pride. For years they have watched Australian tourism TV ads with their running reminder: "Don't forget to visit the Cup while you're here." In response, the America's Cup group ran fast-rising magazine advertisements, implying: "Remember the Alamo. Remember the Maine. Remember Newport." Skipper Dennis Conner explained his mission at the helm of Stars and Stripes '83 in nautical terms. Said Conner, considered one of the world's best 12-meter sailors: "We're going to grab the Cup from the jaws of

Death Valley." Added Gary Thompson, president of another American syndicate, Eagle Challenge: "Getting the Cup back is a red, white and blue issue. We want to show our strength to the world in a way that has nothing to do with bombs and missiles."

The initial skirmish for each syndicate was raising the millions of dollars needed to mount a challenge on the seas. These costs soared after 1983, when Alan Bond, the maverick entrepreneur behind Australia II, introduced his revolutionary winged keel. The innovation cut down drag, improved stability and, in one stroke, rendered all other boat designs obsolete. To close the technology gap, the current challengers have spent heavily developing their own technology. The Canadian entry, Canada II—a modified version of the 1988 entry, Canada I—boasts a winged keel.

Most syndicates went overboard, consulting



Conner's Stars and Stripes '83: "whatever your cause, you justify it"

square root of its sail area, and a division factor of 2.37. Each yacht weighs about 60,000 lbs., and each is about 25 feet long. But they only qualify for the competition when the formula is applied to their dimensions and the answer is 12 m.

The U.S. syndicate recruited design assistance from the Pentagon, administrative from the Pentagon, administrative from the National Aeronautics and Space Administration and the Massachusetts Institute of Technology. One French entry, boasting Marc Pagan, skipper of French Kiss, in

a child of the French aerospace industry." But Canada II's 27-year-old creator, Bruce Kirby, remained his own designer, ordering parts and pencil. Said Kirby: "I like to look at the shape of a boat on paper or in real life. Computer can give you a lot of information. The problem is whether you can believe it." Still, the Canadian effort is by no means low-budget. Canada II is backed by Paul J. Pheifer, chairman of

\$300,000 per month. Brad Perry, Connally, director of the Canadian government's "This is a no-expense, head-down, ready-to-go-for-it" campaign. This is a small business and our business is winning the America's Cup."

Although Petro-Canada and Air Canada are listed among the group's corporate sponsors, Canada II is essentially bankrolled by one man: \$8,000, the Italian entry, with the Agfa Kappa picking up the bill. But the majority of other competitors' yachts bear the marks of corporations. Newsworld magazine, Atenco Corp. and the General Motors Cadillac division are backing America II. New Zealand's controversial glass-fibre-hulled challenger, all the other yachts' hulls are aluminum—or informally called zinc, after its major sponsor, the Bank of New Zealand. France's 103-plane processing empire banks French Kiss. And in what the locals call "sheer waste," the Australian yacht Kokaburra and Australia IV are sponsored by rival breweries Foster's and Swan.

In the Cup fleet of Fremantle, the "dark-horn" Canadians—so branded by defending syndicate chairman Bond—go about their business quietly. However, Canada II's skipper, Terry Nelson, did pose for a local newspaper as a unlikely white building a hockey stick. Nelson, 27, a former world champion in sailing's laser class, says and serves the boat along with the lowly starch grinders. But like crew members on the Canadian, the Canadian National Hockey League player, he is confident that Canada II will reach the semifinals. Said Nelson: "We're very happy with our boat's speed. If there's more to bring us bad luck, I hope we're over it by the time the first semi-finals."

In the early matches last week Canada II won three races and lost three. But the opening-round races are worth just one point. Races in November's second round are worth five, and in December's third round, 12. The top four boats advance to the semifinals. Explained Tom Blackwell, skipper of USA, after losing his first race last week: "It will take about 160 points to get into the semifinals. If you do decide the average budget of \$10 million by 100 points, you get \$100,000 a point. So we lost only \$100,000 today." Millions more will be lost before the winner is decided, next January. But the effort may be justified. The city hosting the next Cup in 1990 is expected to reap revenue from tourism and taxes in excess of \$1 billion—more than enough to purchase a new pedestal for a 100-gauge silver cup.

—EARL QUINN via TOM MALONEY in

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LAW

Abortion on the docket

The timing of the two events was coincidental but ironic. As Dr Henry Morgentaler began his constitutional challenge to Canadian abortion law in the Supreme Court of Canada last week, Prime Minister Brian Mulroney, his wife, Mila, and their one-year-old son, Nicolas, officially launched National Family Week just two blocks away on Parliament Hill. But it was the landmark case in the Manitoba courtroom that captured most of

newsmen's disengaged last June after refusing to grant approval for the abortion for four years. As a result, women from these provinces seeking abortions have had to travel to Bar Harbor, Me., or to Quebec, where the law has not been enforced since 1975. But in Toronto and Winnipeg, abortion clinics established by Morgentaler and his colleagues service dozens of women daily. And the attorneys general in Ontario and Manitoba are waiting for



Anti-abortion demonstrators in Toronto. Keeping a volatile issue before the public

the attorney for almost two days. Morgentaler's lawyer, Morris Manning, argued that the evening abortion law violates the 1982 Charter of Rights and Freedoms. Added Morgentaler in the opening day of his historic appeal: "I hope the Supreme Court will grant reproductive freedom to Canadian women and the ability for doctors to provide good medical care."

By going to the highest court in Canada for a decision on whether the 1988 abortion law should be upheld, the Montreal surgeon has responded as emotionally charged issues. Currently, Section 251 of the Criminal Code allows abortion, but only when a hospital committee rules that a woman's life or health is endangered by a pregnancy. And there are many inconsistencies across the country that limit the availability of abortion services. In Newfoundland there has not been a surgeon willing to perform the operation for two months, and in Prince Edward Island the only hospital abortion

the Supreme Court decision, expected next year, before deciding if they will put abortionists on trial again.

The abortion debate has always been both a political and judicial issue. And last week was no exception. On the opening day of the Supreme Court appeal, New Democratic Party MP Svend Robinson introduced a private member's bill in the House of Commons that, if passed, would make it legal for women to get abortions in clinics. But Liberal House Leader Herb Gray said that the opposition will not force the debate, and Justice Minister Ray Hnatyshyn and that the Conservative government has no intention of amending existing law.

Still, if the Supreme Court strikes down the abortion law, Parliament would have to draft new legislation and Morgentaler would need his changes of camping to procure a marriage, the Criminal Code wording for abortion. Since the 1970s, three Quebec juries have acquited the 63-

year-old doctor. And on Nov. 8, 1984, a Superior Court of Ontario jury exonerated Morgentaler and two Toronto clinic colleagues, Dr. Leslie Seeling and Dr. Robert Scott, on charges arising from their operation of a private clinic. But last October the Ontario Court of Appeal quashed that acquittal and ordered a new trial. Instead of finding a jury for a 50th time, Morgentaler chose to appeal that order to the Supreme Court of Canada.

At the same time, anti-abortionists in several provinces have continued their campaigns to preserve and strengthen existing abortion legislation. In Prince Edward Island last June hundreds of anti-abortionists joined the Prince County Hospital corporation, the only hospital in the province that granted abortions, and participated in a vote that abolished its three-member therapeutic abortion committee. Dr. Alice Crook, a local veterinarian and pro-choice activist, said that the committee's abolition now means that there is no option for women who cannot afford to travel outside the province. Said Crook: "The situation is unfair and cruel to island women. Why should they have to suffer when it is Canadian law to provide therapeutic abortions?" In Newfoundland, five abortion committees exist, but the only doctor willing to perform

the operation on a regular basis has been inactive since suffering a heart attack last July, and an estimated 300 women travel to other provinces each year to obtain abortions.

In August, 1983, a public opinion poll



Morgentaler: a constitutional challenge

1,650 Canadians interviewed opposed the law under all circumstances. Still, organized protests by the so-called pro-life minority have kept the volatile issue in front of the public. In Toronto last month the president of Choose Life, evangelist Kenneth Campbell, entered Ontario Attorney General Ian Scott's downtown Toronto office and tried to make a judge's arrest of Scott for obstructing justice. Only two days earlier the Liberal cabinet minister, a practicing Roman Catholic, told reporters that postponing the hearing of additional charges that were laid against Morgentaler and his colleagues by Toronto police last month had been "the most difficult decision of my life."

But it may take more than a year for the Supreme Court of Canada to release its judgment on the difficult issue. The seven judges will also rule on the sensitive question of instructing a jury to ignore the law—and five juries have already warned Manning of the dangers of that legal tactic. The ruling could even force the issue back to the lower courts, and prolong the difficulties facing law, Scott, Morgentaler and millions of Canadians who feel passionately one way or another about abortion.

—THOMAS MCKEEON in Toronto

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NETWORKING

After playing a matador in Spain, a 19-year-old cow girl in *The Cow in the Cage Show*, an ardent rocker in *Blade Runner* and an offbeat performance artist in *Legal Babylon*, actress **Daryl Hannah**, 25, is finally going to play a traditional romantic lead—sorts. In *Rebecca*, currently filming in Vancouver, Hannah plays the title role in a modern and loosely based version of the classic French play *Cyrano de Bergerac*. She stars opposite newcomer **Steve Martin**, who also wrote the script. Martin plays Cyrano as a fine chef and Hannah's *Rebecca* as an unattractive beauty, she says. "They wanted my character to have a heart." Next, Hannah says that she wants to produce her own movies "to have artistic control and to do things that really interest me."



Hannah: romantic role with a brain

Body builder and businessman **Mike Weider** usually shuns back, but he made an exception recently when *Star Trek: First Contact* offered him his best role since the *Willow* House. The Muskoka-based Weider, 42, president of the International Federation of Body-builders, presented *Picasso* and his wife, *Maria*, with special medals. The 65-year-old First Lady was honored for her artfulings above crowds, while Weider cited the 76-year-old President as "the strongest, fittest and most sexiest of all the presidents." His next mission is to have body building recognized as an Olympic event, said Weider. "Our motto is 'Body building is important for nation building!'"

Television's *Affair* star **Don Johnson** has traded last season's trend-setting pink, white and green

JOHNSON: REVOLVING exposure



for this year's new made-in-Canada look. This year the popular crime digital is dressed in blues, greys and blacks by *Parachute*, a moderate, Montreal-based clothing design company. But *Parachute* founder *Harry Parsons* says this "isn't the last word." Johnson's book, *"Read my Lips,"* will be released in October. "I don't usually listen to all of what Dinkins says. In one end and out the other," Dinkins takes his quarterback in his own book, describing *McMahon* as "fuddy duddy." The coach shows little respect for the author of *McMahon's book*. "I read excerpts," Dinkins says, "but I haven't had a chance to read it through. I doubt that Jim has read mine, and that doesn't bother me either."

Rarely do such corporate heavyweights as *Coors*, *Black & Decker*, *Heublein* and *Fraser* share the same stage. But this week they were scheduled to perform together in Toronto at a \$300-a-plate fund-raiser for Ontario's Stratford Festival. Actor *Anton Lesser* managed Shakespeare to create *Madame About Stratford*, a 40-minute farce for this month's performance by the *Freeform Stock Company's* *Goliath-Sledged Players*, which also include journalist *Barbara Frum*, McDonald's president *George Cohen*, and developer *Robert Campbell*.

Jackson, a born amateur actor in his youth, plays *Boris* in *Black & Decker's* *Julius Caesar*. When the daggers are drawn, *Black* turns to his former partner in the *Argus Corp* board of directors, *Twinkie*, a classic line and look. And you know it.

Black doesn't mind.

Television journalist **Ann Maden** is best known for her jarringly analytic from-trouble-again reports around the world. And this week, retiring Montreal Mayor **Jean Drapeau** makes the U.S.-born Maden an honorary citizen of his city. It will mark the first time that the *CNN*'s *Madam*, who moved to Canada in 1975 after a U.S. reporting career that was her own *Brange*, has been honored in her adopted country. On May 1 she steps into a new



Black doesn't mind.

Black doesn't mind.

—Edited by VIVIANE GALT

anchor of *CNN's Saturday Report*. But Maden says that she will continue to make documentaries for *The Journal*. "I will be writing down a lot," she added. "The fact is that at 40, you just don't have the legs and stamina to keep the same pace any more."

The National Football League's Superbowl XI champion Chicago Bears set a record in a new midlife this season—writing books. These Bears—quarterback **Mike McMahon**, coach **Mike Ditka** and linebacker **Nike Shapley**—each looked off the 1986 season with the release of an autobiography. The front-runner to be McMahon's, 27, with McMahon's fourth place last week as *The New York Times* best-seller best-seller list. The \$700,000-a-year (U.S.) superstar received a \$200,000 advance, out of the largest ever given to an athlete, from Warner Books. About his coach, McMahon writes: "I don't usually listen to all of what Ditka says. In one end and out the other." Ditka takes his quarterback in his own book, describing McMahon as "fuddy duddy." The coach shows little respect for the author of *McMahon's book*. "I read excerpts," Dinkins says, "but I haven't had a chance to read it through. I doubt that Jim has read mine, and that doesn't bother me either."

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Faded glory on the 'street of ink'

By George Bain

A long time ago, I had a London office at 8-10 Fleet Street, in the building occupied by United Press International, opposite *The News of the World*, at Fleet Street. I was by again recently, on the way to look up some back copies of the *UK Press Gazette*. Nowadays, a gaggle of smartly dressed men lounge around all day under the big square blue-gold-and-black clock outside the *News of the World*—in effect, picturing an empty building that no one much wants or needs to get in or out of. *The Services of the World*, as it has been called, and The Sun, have descended to Wapping, down the Thames River, along with their respectable sister in publisher *Robert Murdoch's* London newspaper family, *The Times* and *The Sunday Times*, leaving their mechanical contraptions behind.

Fleet Street used to be a bony

place.

Down the street at the corner of

Tower Street

was the *News Chronicle*,

where James Cameron, one of the

real

great reporters in Fleet Street,

was the star before the war was the *Evening News*. Next door to the *News Chronicle* there was a pub known as *The Feathers* for an arm of the clitoris preferred, *The Fevers*. The whole shanghaile-pub included, no doubt a victim of client starvation—was ages ago. They went during a long period that extended at least from the start of the 1960s until just recently, when the wonder was that more papers weren't carried off.

A compunction is talking about

Fleet Street in that the term has al-

ways stood for at least three things—a street address, a code word for all Britain's London-based dailies and a myth. My *Encyclopaedia of London* (1927, revised 1951) says that Fleet "began to be the street of 'ink' in 1898 when the *Morning Advertiser* offices were transferred there from the *Standard*." But is no recent time have all, or even many, of the regional dailies been published actually on Fleet Street—say more than all London's celebrated Savile Row tailors have had their shops on Savile Row? In both cases they were moved in the vicinity, sometimes changed. (For a time after *London Evening Standard* had an office in the *Times*, in *Printing House Square*, it also so tucked away that it cannot now locate it. Then, I could only be sure of finding my way there by approaching

Fleet Street has always stood for three things—a street address, a code word for all London-based dailies and a myth

of modern newspaper technology (color printing, computerized newsroom and page makeup, pages transmitted by fax to dispersed printing plants) and the relocation of the Mandrake papers to what has become known as *Postcode Wapping*, where they have since been printed under tags from the displaced mechanical ones. These never caused others, already pleased, to be uprooted and presented new ones, including nearly all-encompassing rounds of negotiations with unions to accept new methods and the reduced newspaper they make possible.

The coming of *Today* produced, in equal parts euphoria and fear—with, on the one hand, the prospect of improved profits from as well to gross overrunning and, on the other, the danger that *programme Eddy Blash*, an interloper from England's northeast, might run some of them out of business if they couldn't modernize quickly enough to compete. Both emotions have abated. *Today* proved to have raised in a lot of new gear it hadn't completely mastered. *Postcode*, color didn't seem off the wall in the beginning, and without a clear idea of what radio

it proposed to fill. After an initial look, a lot of readers seemed to say, "So what?" and went back to the faded pleasures of *The Sun* (criticism about free critical) and *The Mirror* ("Admittedly," editor Bruce MacArthur wrote in the *UK Press Gazette* in mid-June, "we haven't quite lived up to post-launch expectations."

Now, *Today* has undergone a financial reorganization that has left Eddie Blash a minority shareholder, and changes have been made in the newsroom. *The Independent*, by contrast, has come out with every sign of cool deliberation. As early as June, four months before the Oct. 1 launch, it was already making presentations to London agencies. Two days after the launch, managing director *Stephen Long* told me by phone that they had run more than 20 full-page newspaper-size documents with made-up stories in judge species, and that the publicable copy printed only to be thrown away, some day, news from were news and staff. The first distributed news copy was already a newspaper with those weeks of publishing behind it. *The Independent's* main target—Long himself would not say at all, but wouldn't quarrel with my doing so—is Canadian financial *Coors* Black's *Derby Telegraph*, *The Telegraph*, *Guardian* and *Times* have among them about two million circulation, with the big chank—about 1.25 million, but down 3.3 per cent in a year—belonging to the *Telegraph*. *The Independent* had a print run of 650,000 for its first issue. Its initial target is \$15,000 to \$20,000, which it intends to get out of that two million, or by adding on to it, or both. First practices have been positive.

Still to come next spring are a new evening paper, the *London Daily News*, a new left-of-centre weekly, *News on Sunday*, and a sport newspaper called *Sunday Sport*. A couple of others are being talked about, including a free distribution daily. Not the least of things to gladden any new person's heart in all this are the stories about what the new competition has done for salaries. Not quite typical, though, was the report in the *UK Press Gazette* that *Today*, in its travail, thought of offering the managing editor of *The News of the World* a \$40,000 package to come over—\$20,000 in salary and the same amount as a bonus if circulation reached 100,000. It's nice money—even if they didn't get beyond thinking about it.

PEOPLE

ANN MADEN has been honored in her adopted country of Canada. She is shown here with Montreal Mayor **Jean Drapeau** at a recent ceremony. **JOHN HANNAH** (left) has been cast in a new movie. **ROBERT CAMPBELL** (right) has been honored in his adopted country of Canada. **GEORGE BAIN** (right) is the author of *Faded Glory on the 'street of ink'*.



End game in a world-class marathon

In the end, two fierce antagonists finished their struggle with an anti-romantic draw—but the overall result was as decisive as a cleanly executed checkmate. Last week in Leningrad a two-month duel for chess supremacy ended in the concert hall of a modern hotel as 23-year-old Gary Kasparov retained his title as the world's best chess player. He did so by defeating former champion Anatoly Karpov, 35, in a 34-match series split evenly between London and the Soviet Union. But the contest between two Soviet citizens who dislike each other intensely included stakes that spilled beyond the board's 64 squares. Unfinished mastery of the black and white chess pieces provides rewards of fame, power and money. For one thing, each Western sponsor as London-based British Airways Ltd. and American Express Ltd. contributed \$12,000 in prize money to the victor—a sum which both contestants pledged to donate to victims of the Chernobyl nuclear accident last April.

A victory by either can ensure continued dominance of world chess in the Soviet Union, a country where chess player is a national pastime. Chicago-based Bobby Fischer briefly interrupted that pattern in 1972 when he became the first non-Soviet to win a world chess series since 1948. His victory over the Soviet Union's Boris Spassky in Reykjavik, Iceland, sparked a Western resurgence in the ancient game's popularity. But the Soviet Union regarded its claim to chess supremacy in 1975 and Karpov began a 10-year reign when the leftist but eccentric Fischer defaulted his title in a dispute over rules for a chess-pool series that year.

Still, interest in chess remains strong in countries such as Britain, where four million serious players regularly follow newspaper and television accounts of the chessplaying series. And the contrast between men of markedly different personalities and playing styles has fascinated chess enthusiasts and newspaper alike.

Karpov's first-series victory over Karpov last November made him the youngest world champion in history. It capped the rapid rise of a superb, occasionally reckless offensive player

over a careful, deftly avoided chess tactician. But Karpov's ascendancy to the throne had been delayed by an incident that demonstrated the intellectual and physical prowess of world-class chess play. In February, 1985, Karpov abdicated briefly when Floresio Campomanes, the Philippines president of the 134-nation International Chess Federation (ICF), abruptly snatched the incompletely ne-

over Karpov proved his worth in the Soviet system by fending off challenges from Soviet defectors Victor Korchnoi in 1978 and 1985. Those successes won Karpov the Order of Lenin award, the support of powerful politicians—among them the late Soviet leader Leonid Brezhnev—and a standard of living that included such luxuries as a car and a well-appointed cottage near Moscow.



Karpov-Kasparov: force, power and money to accompany a chess title determined by blarney alone

—MALCOLM GRAY was KOTCH CHARLES in *Logan*



Cardinal in *Logan*: a mother's abandoned wedding dress and a child's scars

THE ARTS

Masks of a Métis star

It is a mixed-blood ceremony

With these simple words, an old Indian medicine woman helps a modern Métis named Jeanna to assume the ancestral spirits. They place high-heeled shoes at the four opposite points of a sacred circle. Action is annual mask—Bear, Cow, Wolverine, Coyote and Moose—growl the stage as Jeanna relives her past, aging from a 12-year-old child raped by a Mountie to a nervous prostitute wedged in a run-down hotel. She becomes a violent hothead, then, then a mental patient removed by a romance with a native rights activist. She explores the trials of amateur surgery and government grant application by turns, the dipsomaniac, anger, instability and strength—a performance requiring a range and depth. In a new production of the award-winning Canadian play *Jeanna*, which opened last week in Ottawa, Tasmin Cardinal does the title role like a second skin. She, too, is of mixed blood—an Alberta-born Métis. And her emerging form as an actress is faced with the volatile obscurity of cultural conflict.

Cardinal's current triumph, both courage and courtesy, reflect the growing visibility of the native community in Canadian drama. Vancouver, Calgary and Toronto all boast native theatre companies that stage plays by native playwrights. And the 1986 Commonwealth Games in Edinburgh, Scotland, will feature a native drama competition. Cardinal's current triumph, both courage and courtesy, reflect the growing visibility of the native community in Canadian drama. Vancouver, Calgary and Toronto all boast native theatre

companies, and a core of seasoned actors, including Margo Kane and Graham Greene, is finding parts in mainstream productions. While the 36-year-old Cardinal performs *Jeanna* in Ottawa, the film in which she starred, *Logan*, is playing in cinema series Canada. The story of a tragic liaison between a white family and its native neighbors in northern Alberta, *Logan* is one of the first movies to portray Indians relatively in major dramatic roles. And Cardinal's performance has drawn critical superlatives. Toronto critic Jay Scott saluted her as "one of the more dimensional, fascinating women to be found in any theatre in Canada."

Meanwhile, Cardinal's appearance in *Jeanna* is the continuation of a remarkable collaboration between artists and native theatre groups. She starred with Linda Griffiths in an early-1980s version of the play at St. John's 25th Street Theatre. In 1982, Griffiths, the writer-actress best-known for her 1986 Oscar-nominated *Pierre and I*, wrote the script with Métis actress Maureen Campbell. Last spring's production of *Jeanna* by Tasmania's Tasmanian Native Ballets won the city's Dora Mavor Moore award for best new play and was named top Canadian play at Quebec City's International theatre festival. In the remastered version, Cardinal takes on the title role for the first

time—playing opposite Tom Jackson, the Saskatchewan-born Métis who also portrays her lover in *Logan*.

On stage or screen, Cardinal's approach is one of blunt realism. "She's a very instinctual actress," said *Logan* director Anne Wheeler. "She plays from the heart." Adds Jeanna's Griffiths: "I think it's a reflection of how she is. And she has this incredible sense of grounding."

And as sturdy, Cardinal's exterior has a commanding presence. Her distinctive voice, half-way between a Bill and a drawl, slides easily between tones of childlike innocence and adult assurance. Long black hair frames an expressive face with a mouth made serenely by a nose—evidence of childhood surgery to correct a cleft lip. In fact, Sharon Stein, who wrote *Logan* with Wheeler, built the star right into the script. In her first scene, Cardinal gets a Bill in the mouth from her drunken husband. But psychological scars, from a life far removed from most actors' experiences, also play a natural part in her performances. "There is a well of emotional pain," she says. "It can also be lovely."

Her childhood home was broken even before it was built. Cardinal grew up in Ainslie, a remote village 60 km south of Fort McMurray, Alta. Six weeks after she was born, her white father abandoned her Indian mother—just before they were to be married. She had made her wedding dress and everything," said Cardinal. "As far as I'm concerned, I don't have a father." When she was six months old, her mother left her in the care of her grandmother, who even chose her name—borrowing "Tasmin" from a libretto of a play she had read to the baby's face when they were all packing blackberries.

As a child, Cardinal did not understand that she was Métis neither than Indians. She wondered why she never received free crayons. She the other native children in Ainslie's one-room schoolhouse, only treaty Indians were entitled to free school supplies. Still, she was a good student and went on to high school in Edmonton, where she boarded with a Metis couple. After graduation, she married their son, a university student named Fred



The really great statements are made in black.

Marin who was deeply involved in the American civil rights movement of the late 1960s. By the early 1970s Cardinal had phased into the native community's political and cultural movements. She vividly recalls attending one Miss Marin at age 29. "The speaker, wearing this beaded moon-hawk jacket, was talking about the Battle of Batache. It was absolutely electric in there."

As Cardinal unearthed her heritage, she became increasingly impatient with her role in a suburban middle class. In 1979 she left her husband, entrusting him with the care of their 26-month-old child, Cheyenne. But she and her son have remained close. "I can't even remember why I had to leave," she said, "except to leave the things that I know now."

Through her work in native groups, Cardinal had fallen into acting jobs on national and regional television. In 1989 she starred in her first feature film, *Shame*, with Andrei Tarkovsky. She played the mysterious and wife of an 18th-century voyer who brings a white woman into Fort Edmonton. Cardinal tried to persuade the director that jealousy was out of place in a traditionally polygamous Indian culture. He changed the film's ending twice, trying to meet her objections.

After playing various back-slashed stereotypes, Cardinal finally found satisfaction with her role as Susanna in *Lopetha*. Even then she sometimes questioned the director's sense of realism. She refused to perform a nude scene, arguing that modesty was more the rule in escaped native households. And Cardinal's memorable gown accidentally annoyed Wheeler, the director, and that she readily identified with a comment made about Susanna by her English employer in the movie: "I always feel that she's judging me."

Since 1994 Cardinal has lived with Brian Richards, a South Dakota Indian who had a small role in *Lopetha*. Their son, Clifford, is now 28 months old. Just two weeks after Clifford's birth, she performed a leading role in *The Young Peacock*, by Saskatchewan native playwright Evan Cardwell. She recalled, "It really helped me—physically."

Richards appears to be Cardinal's strong ally. "He knows so many strong women who have survived," she said. "The combination of them would probably end up looking like a *Power Rangers*." Like her character in *Lopetha*, Cardinal draws strength from her ancestral spirits and from the unshifting realities of a Native horizon. Her art, like her life, is a measured-bloated evening.

—BRIAN D. JOHNSON in Ottawa

When cultures collide

DOWNFALL PEOPLE
By Jo Anne Bennett
(McGillivray and Stewart, \$18, page 322 R)

A young woman named Fatima is found dead in the neighborhood of the West African town of Kpasse. How did she die? And what will become of the baby she was carrying? *Downfall People*, the winner of this year's \$50,000 Sun First Novel award, opens with these mysteries. But the question that dominates the book is how its heroine, Peace Corps member Likki Liddell, will adapt to this smorgasbord of strange lands. Author Jo Anne Williams Bennett is an Ojibway anthropologist who spent two years researching education in West Africa. Sympathetic but unblinkered, Bennett knows the people she writes about—not just their legends, manners and customs, but how they think and feel.

Liddell arrives aboard a local transport truck named "Downfall People" creaking for the first time the dirt, hunger, anger and disease of modern Africa. Kpasse is a Market town overhauled with strings of Christianity and progress. Wealth is measured by how many unwieldy electronic gadgets a man possesses, and infant bathebaths are common. Since Likki sheds her American past and falls in love with the Shana, an enigmatic man who, like his fellow villagers, is a polygamist. Trying to adjust, she clashes with the heavy-handed military and befriends a 35-year-old healer named Abu, who hopes to marry Fatima's orphaned infant.

A turbulent setting, cultural clashes, violence and a white woman's love for a black man are not uncommon in many post-war novels. But Bennett creates scenes that are authentic and convincing, and deftly links them with character and locale. And her writing is always thoughtful. Shallow about her first unconvincing勘探性 sexual encounter with the Shana, Likki confesses, "we have low culture—nothing—only a society that could produce a nuclear bomb for every 10,000 citizens and also produce books on the multiple virgin."

But the most unusual moments in *Downfall People* come from its lush details. The author writes of sheafed fruit that is "as the size of their bended and woven napkins like as many pincered eggs, the fruit is grainy and sweet as crystallized dates, as rich and oily green as avocados." Bennett can also be witty. At one point Likki refutes an offer of sealed man-

key because it "would be like eating a relative—some kind of third cousin in depressed circumstances." As the local whites try to cope with such confusion, a minister's wife resorts to making stock-pie from green mangoes.

Occasionally, Bennett's writing reveals gaps. Although Likki is a secondary-school teacher, little action takes place in classrooms. Several scenes seem better suited to an anthropology text than to a novel. More seriously, Bennett seems to lose her plot toward the end and thus has to return to retrace it at the end.

But the juxtapositions pale beside the book's success in re-creation of the taste of Africa. When Likki and John Lawrence, a British anthropologist researcher, meet for a drink in a tavern called the Last Calabash, Bennett writes, "It seemed that they had always lived in Africa, that they were born in red-hot pepper and guinea-corn beer. Their dark hair and pallid skins were all some horrific mistake." *Downfall People* implies that the world contains few mysteries, only cultures, with competing kinds of knowledge. Bennett's work enables readers to feel—and understand—an other world.

—FRASER SUTHERLAND



Bennett, polygamy and cooked monkey

The evening
was simply
classic.

The wine was
Bouchard Aîné
Beaunois Supérieur.



Bouchard Aîné



Rommel, Patton, overinflated egos, nothing animates like and back-room machinations

Mysteries of mortality

DISLOCATIONS
By Jennifer Turner Hospital
(McGraw-Hill and Stewart, 311 pages,
\$12.95)

At their best, the 14 stories in Jennifer Turner Hospital's new collection, *Dislocations*, are like strong perfume: instant, almost explosive and unforgettable. Like for these earlier novels, the stories show the Australian-born Hospital as a risk-taking stylist, a masterly bathos-farce farce. Increasingly in the angular soils of Canadian prose. Sometimes her fictions with steamy romanticism (mildly still), Hospital is a serious—even religious—writer, who tackles the contradictions of body and soul. The stories transmute loss and exile into extremes, often physical, suffering: whether geographic or spiritual, diabolically wrenching her characters' bones apart.

Death is the greatest of earthly shames. In *Dislocations*, it is often swift and horrific. In one story, three teenage girls at a summer party are suddenly seized by faints from consuming lighter fare. In another, a young mother and her children are walking home from the circus "in a steady line of out-of-control comedy" when they are struck by a car spinning out of control. The woman is "smashed between car and tree," while one daughter's body "mushrooms and crumples in the grass. Hospital deftly visitors notions of good taste with her insistence on the brutality of sudden death. With an intensity that other writers devote to sex, she clinically catalogues the destruction of flesh.

But death has two faces in these tales. In its ugliness, she writes, it is a world joke, "a final exalt of body to soul." But it is also an inevitable mystery, all the more so in a society that lacks a vision of the afterlife. In the last story, "Post-After Post," the Swiss Beggar, an elderly widow from India, grieving for her husband. She finds peace in the stylized gestures of classic Indian dances as they raise the cosmic battle of good and evil, waiting for "Hans—builder of right order in the universe" to triumph. In a similar age, Hospital seeks nothing less than a language equivalent to the dance, capable of expressing the needs of the spirit. If she frequently falls short of her goal, she is nevertheless a compelling and courageous artist.

—PAUL KING

—HEATHER HENDERSON

Flight over old terrain

ROMMEL AND PATTON

By Richard Rohmer
(Greene Publishing, 228 pages, \$22.95)

FIVE years ago novelist Richard Rohmer wrote the nonfiction book *Patton's Gap*. It was an odd addendum that succeeded between Rohmer's memoirs of his days as a 26-year-old Royal Canadian Air Force pilot—whose only personal encounter with Second World War generals was a brief chat with U.S. Gen. George Patten during an inspection—and an analysis of the war's infamous Falaise Gap. The gap, a 15-km hole in the encircling Allied lines, allowed about 300,000 German soldiers to escape during the 1944 Allied invasion of Normandy. Although U.S. Gen. George Bradley officially took the blame, Rohmer's book speculated that the enormous military blunder was the fault of British Field Marshal Bernard Montgomery. According to Rohmer, he advised Bradley not to close the gap because he secretly sought to "deprive the Americans of glory."

Rohmer's latest novel, *Rommel and Patton*, covers the same terrain. In fact, it repeats, almost word for word, his previous book's 500-word account of the author's short meeting with Patton in a hotel priest at \$22.95, the author merely over the paper a few fresh phrases. Still, Rommel and Patton is well-researched, draws its central characters skillfully, and offers the provocative suggestion that the Allies negotiated a secret armistice with the Germans after their troops escaped through the gap.

21 of my favourite things.

Dislocating
Screwing all night long.
Being a lot of a
matchmaker for my friends
Pedicures
Having people over,
even if it just to
watch TV.
Going on a
shopping binge
Getting a friend
out of a bad mood.
Decorating my
apartment every year
Glamorous sunsets
My new green
Leaving notes on my
boyfriend's jacket
A good joke
Are way my new green shoes
look with my old yellow sweater.
Jewelry British Columbia
My handbags
Organizing clothes for the weekend
Wearing my sister's clothes
Holding hands. Fireworks
Twenty-one, the
dream that's
for me

It's time for 21! The delicious, new
creamed mocha cream with
a light-brown, roasted wine base.

21% alcohol by volume.

Have it your way today!

21 The Casual Cream.



Ottawa's red-ink trail

INVESTMENT IN FAILURE

By Sandford Morris with Lee Brown
(McGraw-Hill, 275 pages, \$19.95)

Promising Confederation, the second of collaboration between Canadian governments and the private sector in industrial enterprise is a fairly respectable one. But in the 1960s and 1970s the picture went very wrong. The company was founded in 1967 by Mark Katt, a Queen's University computer scientist.

After 10 years, bureaucrats had parlayed a \$12-million investment into a \$120-million loss—and a bankrupt company

The company was founded in 1967 by Mark Katt, a Queen's University computer scientist. When Ottawa first got deeply involved in manufacturing during the Second World War, it simply adjusted the best people from the private sector and let them get on with the job. Now, its involvement is undertaken by other agencies, including the preservation of jobs and regional development—sometimes with less concern for the public purse. Only a broad historical analysis can really settle the question of whether government involvement in industry is a good thing. This book illustrates some dark outcomes, but fails to fight the way

—THOMAS KIRKMAN

where they had more influence. After 10 years, and more loans, the company was bankrupt—and Ottawa had parlayed an \$11-million investment into a frightening \$120-million loss.

Brown and Morris recognize that such losses are not the inevitable result of government involvement but are caused at least in part by the mistakes of individuals. After all, there are many well-documented cases in which the government's role as financier, investor or even venture capitalist has worked well—including TransCanada Pipelines Ltd. and National Sea Products Ltd.

But the authors fail to take into account changes in the mind-set of Canadians. When Ottawa first got deeply involved in manufacturing during the Second World War, it simply adjusted the best people from the private sector and let them get on with the job. Now, its involvement is undertaken by other agencies, including the preservation of jobs and regional development—sometimes with less concern for the public purse. Only a broad historical analysis can really settle the question of whether government involvement in industry is a good thing.

This book illustrates some dark outcomes, but fails to fight the way

The luckiest colony

ON FIJI ISLANDS

By Ronald Wright
(Penguin, 237 pages, \$22.95)

more knowledge of the island's history, Wright does justice to them all.

The book's charm, however, lies primarily in its rich evocation of Fiji's wild, uncolonial beauty and of a society that preserves many tribal customs with resilience and dignity. Wright, an anthropologist, has been going to training, often for months at a time, among the participants of the people he studies. He is particularly at home in the world's northernmost drift, the invariably unapologetic Fijian culture, which he describes as the model of Methodism.

But the Fijians were also lucky. Their colonial administrators had the power to destroy their culture. A few, like Sir Arthur Gordon, acted solely to preserve it. And, amazingly, resulting integration, the Fijians' own clear-minded leaders "stirred the better qualities of those who came to rule them." With graceful prose and inti-

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Wright, charm, page

—VAN HILMELDEN

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FOR THE RECORD

Premières at the piano

BACH: ENGLISH SUITE NO. 6,
FOUR DUETS; ITALIAN CONCERTO,
TOCCATA
Angela Hewitt (piano)
(DG/PolyGram)

All the virtues that earned Ottawa's Angela Hewitt first prize at last year's International Bach Piano Competition are evident on her debut recording: immaculate lines, exquisitely precise articulation and rigorous rhythmic and dynamic control. Hewitt is, above all, a fearless pianist—a trusty, intelligent guide to the complexities of Bach's counterpoint. She approaches fast movements with verve and slow movements with poise, bringing Gallo charm to the English Suite No. 6 and rapt concentration to Four Duets. But she conveys little spirituality—as evoking imagination, no clear mark of genius. Perhaps in time she will join the pantheon of such immortal Bach interpreters as Glenn Gould and Wanda Landowska; for now, listeners can be more than satisfied with Hewitt's capacious and gifted artistry.

INTRODUCING THE CANADIAN
PIANO TRIO: MUSIC OF SHOSTAKOVICH, GERSHWIN, LALOUX
DAVIES
The Canadian Piano Trio
(Flagstar)

The Canadian Piano Trio's impressive debut recording features shattering, warhawed playing, but some distinctly unusual programming. The Toronto-based trio—pianist Stephanie Sebastian, violinist Jamie Weissblum and cellist Nina Hoban—proves its versatility by moving from the darkly ambiguous music of Shostakovich to clear, smiting treatments of Gershwin. Weissblum and Hoban are particularly elegant on Shostakovich's *Traviata*, which is by turns frenetic and grief-stricken; Sebastian comes into her own on the Gershwin selection, adding zest to Winthrop composer Victor Davies's variations on *Gut Rhythmus*. Despite an aimless pastoral work by 20th-century composer Fernand Laloux, the Canadian Piano Trio offers a delightfully theatrical, highly musical debut.

—JOSH PEARCE

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FILMS

Diary of another mad housewife

DANCING IN THE DARK
Directed by Leon Mare

Eva Corradi (Martha Henry) has devoted 20 years of her life to the afternoons of housekeeping—sweeping, cleaning, vacuuming—work and cleaning. "My days were a service," a maid once recalls at one point from a hospital bed. "Freeze steps and motions, all in order." *Because in the Dark*, the film adaptation of a novel by London, Ont., writer Joan Barfoot, dramatically traces the degeneration of Edna's life from orderly housework to homicidal insanity. Portraying a middle-class housewife whose peaceful world turns into a nightmare, Henry gives one of the virtuous performances of her distinguished career.

Because in the Dark also marks the feature-film screenwriting and directorial debut of Toronto's Leon Mare. His sensitive script adroitly depicts one woman's world gone awry. Edna spends her days racing happily through a multitude of chores and waiting eagerly for her husband, Harry (Sel Mirsky), a packaged salesman, to return from work. Like a giddy teenager, heart beating fast beneath the serene exterior, Edna hangs on to Harry's every word. But when she discovers his infidelity, she loses her tenuous grip on reality and plunges into depression.

As Edna, Henry remains almost constantly before Vic Mirsky's probing camera, using subtle mood shifts to offer privileged access to Edna's off-key psyche. Despite his character's basic shallowness, Mirsky manages to avoid caricature, making Harry mildly sympathetic. *Because in the Dark* is flawed, particularly in its use of a self-consciously literary voice-over. Still, in offering a complex portrait of a tragic woman, Mare has forged a rigorous and uncompromising movie.

—GERALD PEARY

With Henry denoting housework. Constructed on scuffed floors and stained walls, the award-winning actress prefers to play a dancing woman. But to prepare for her newly enhanced performance as the neurotic housewife Edna Corriveau in *Dancing in the Dark*, Henry '88, immersed herself in the minute details of housekeeping. "She came to rehearsals and showed me a book with diagrams on how to clean windows," said the

film's director, Leon Mare. "Martha read it twice. She gives herself completely to a role."

That thoroughness and Henry's extraordinary talent have led to numer-

ous offers about her. She's sought, reluctantly, to identify her interests, she told *Maclean's*. "I have never been in a situation of being captured inside a house, God knows, and yet that dependency—and the dedication to making another person happy—is still in me and still in every woman I know."

But Henry has seldom headed such involvements. Her dedication to her craft is so fierce that she admits to few interests outside of work. Raised by grandparents in Grimsby, Mich., after her parents—a businesswoman and a lounge magician—separated, Henry discovered acting in her teens. The young actress began her long and fruitful association with Shimerford in 1962. The critical acclaim earned there eventually won her the leading role in the British Broadcasting Corporation's 1969 series *Adam's Downdraft*, and in 1971 the title character in the Greek drama *Antigone* at New York's Littleton Center. She temporarily closed her dancing school 18 years ago, giving birth to her only child, Emma. Henry and her estranged husband, actor Douglas Haig, share custody.

Although Henry will accept promising film roles that take her way, she now plans to abandon the stage spotlight to concentrate on directing. "I suppose it has something to do with Edna and *Dancing in the Dark*," she said, "with wanting some kind of control over my own life." But she is also seeking a new focus from what she calls the "deglittering" process of developing a new character. In November, Mare will direct Neil Simon's *Brighton Beach Memoirs* at the Grand Theatre in London, Ont., and at least two more directing assignments are arranged for next year. "She's one of the best people in her profession anywhere," says Urjo Kareda, artistic director of Toronto's Tarragon Theatre, where Henry directed Eugene O'Neill's *A Moon for the Misbegotten* in 1986. "She shaped her theatrical muscles on the most difficult repertoire, the classics. And she's got what it takes to become a major director."

—PETERHA BACCHI in Toronto



Want, Meth: expressing anger and wit with rapid-quick artlessness of signing

Countdown for a klutz

CLOCKWISE
Directed by Christopher Mervin

From his glassed-in corner office, Headmaster Stimpson (John Goodman) endlessly scans the grounds of his English state school like a grinch in a prison tower. Catching one of his students, a strapping lad for class, Stimpson gleefully books the student's name into a recordbook and hauls out another student. Paranoidly paranoid, Stimpson is the hero of the British comedy *Clockhouse*, which begins on the most important day of his life: later that morning, he must catch the train to Norwich, where he is scheduled to deliver a speech as chairman of the Headmasters' Conference. Being asked to chair the establishment event is the fulfillment of Stimpson's career dream. But when the most-potential man in all of England misinterprets a porter's directions and misses his train, the three-hour trip to Norwich becomes a scorching epic of comic disaster.

Stimpson's troubles begin when he discovers that his wife has taken the car.

He persuades Laura (Sharon Stone), a 35-year-old student at his school, to drive him to the conference.

His wife, who has volunteered to take three primitive patients for a drive in the country, sees Stimpson filch up Laura's car at a gas station. Assuming that her husband is having an affair, she decides to follow him to Norwich with three bemused elderly ladies in tow. On the way, she calls on Laura's parents, who first alert the police and then run alongside the car to join the chase. Obviously to the point, Stimpson and Laura become hopelessly lost in the countryside. They even lose their car—fitting punishment for a man whose motto is "the first step to knowing who we are is knowing where we are and where we're at."

As the self-important Stimpson, Stone plays the same big-eyed, tight-lipped, explosive character that he has specialized in since he starred on the television series *Monty Python's Flying Circus*, which first aired in 1969. Clockhouse tries hard and has some very funny moments. Still, it cannot sustain its hilarity. The film's premise would have made a great 15-minute *Fawlty Towers* sketch. But as a two-hour movie, Clockhouse has tone on its hands.

Children of a Lesser God has many memorable moments of humor and insight. But the play's exploration of political rights for the deaf seems to sap it of dramatic tension. It dwells too heavily on the moment at the expense of the supporting roles. Underwater women in a swimming pool, symbolizing the world without sound, recur annoyingly. And a Hollywood congo-nose editives the original's compassionate conclusion. In the end the women are drowned out by the white noise of sentiment.

—BRIAN D. JOHNSON

—PAMELA YOUNG

Breaking sound barriers

CHILDREN OF A LESSER GOD
Directed by Randa Haines

The starring role in *Children of a Lesser God*, the movie based on Mark Medoff's award-winning Broadway play, is unusually demanding. The lead actor must speak both his own lines and those of his deaf female costar, who expresses herself by sign language. In his first screen performance since his Oscar-winning portrayal of a jaded hornswoggler in last year's *Kiss of the Spider Woman*, William Hurt is more than up to the challenge. As a teacher who falls in love with the deaf Sarah (Marlee Matlin), Hurt is consistent in almost every frame, juggling two jobs at once. As he talks to Matlin, he is at work, furtively translating his words into signs. And as the废品 with her own language, he simultaneously assumes the audience's interpreter. But despite passionate performances by both actors, the film fails to deliver the dramatic impact that made the 1977 stage play a critical success.

Filmed in New Brunswick, the movie is a retelling set against the struggle by the deaf to penetrate the sound barriers separating them from the rest of society. Hurt plays James, a speech teacher hired by a school for the hearing-impaired. Belligerent and idealistic, James succeeds in teaching his teenage students to speak, is partly getting them to sing to rock music (including the original's compassionate conclusion). In the end the women are drowned out by the white noise of sentiment.

—BRIAN D. JOHNSON



Want, Meth: the version of life lived constantly behind the eight ball

Return of the hustler

THE COLOR OF MONEY
Directed by Martin Scorsese

Ready has Paul Newman brought as much complexity and depth to a character as he does in *The Color of Money*, the sequel to *The Hustler*. In the original 1961 movie, pool shark "Fast" Eddie Felson was driven out of the game by his relentless talent in his own abilities. In *The Color of Money*, 20 years have passed and Eddie has put away his pool cue with the desperate determination of an alcoholic quitting his first vintage switch. The now-successful Eddie salutes and a stale, base-when-used, allows for a moment who bankrolls promising young players. Eddie is still hustling.

Now, however, he can't let Laura's son, who first alerts the police and then runs alongside the car to join the chase. Obviously to the point, Stimpson and Laura become hopelessly lost in the countryside. They even lose their car—fitting punishment for a man whose motto is "the first step to knowing who we are is knowing where we are and where we're at."

In *Children of a Lesser God*, the two lead actors are forced to convey the performances of the two lead actors. Eddie's innocence is the secret to Atlantic City city, Eddie makes one last catch at a comeback for himself. Inevitably, he fails, the former star has lost his own touch and soon gets beaten by a short-tempered boxer.

Opposite meeting Newman's extraordinary talents, the performances in *The Color of Money* are uniformly brilliant. As the ingenuous but often volatile Vincent, Cruise has found a comfortable role; he does not have to strain himself to convey intensity as he did in *The Godfather*. Marquand, who earlier worked with Al Pacino in *Serpico*, brings a sympathetic vulnerability to the street-smart Carmen—a woman who tries to convince herself that she is older and wiser than her years. And as Eddie's mischievous girlfriend, Jannille, Helen Shaver is given a small but telling role.

But the movie really belongs to Newman. Still working handily at 61, Newman commands the screen with his presence. Charismatic seems for only part of his appeal; his ability to make the art of hustling as compelling and dramatic as speaking is a skill that only great actors achieve. His Eddie has residual strength of character, and it comes from coping with the pressure of life lived constantly behind the eight ball. *The Color of Money* places its audience right next to him.

—LAWRENCE STOKE

MCLEAN'S BEST-SELLER LIST

Fiction

1. *A Matter of Honour*, Arthur (2)
 2. *Red Skies, Glencoe* (2)
 3. *Wanderlust*, Steve (3)
 4. *25 Years* (2)
 5. *A Perfect Spy*, Ian Fleming (2)
 6. *An Act of War*, Douglas (3)
 7. *The Bourne Supremacy*, Ludlum (6)
 8. *The Progress of Love*, Moore (3)
 9. *Sorcerers*, Christie (3)
 10. *The Take Machine*, Frost (7)
- Nonfiction**
1. *Fatherhood*, Cindy (2)
 2. *Years, Brothers* (2)
 3. *Fit for Life, Diamond and Diamond* (2)
 4. *The Balalaika*, Dostoyevsky (2)
 5. *The Selection Diet*, Roberts (2)
 6. *James Herriot's Dog Stories*, Herriot (2)
 7. *Invitations to a Royal Wedding*, Halifax (2)
 8. *Controlling Interest*, Who Does Canada? (2)
 9. *We the Wag*, The Unauthorized Biography of Franklin Stallone, Kelley (2)
 10. *Feed the Men and the Machine*, Lucy (2)
- (1) Fiction just out*
—Compiled by Colleen Bell

What keeps the country together

By Allan Fotheringham

The best way to understand Canada is to seek out its differences. This country, said Matthew King, has too much geography and too little history. True in the latter part, not true in the former, you can never have too much geography. The contrasts make it rich. The more you travel, the more its essential logic becomes apparent. The difference between Victoria and Montreal could not be wider. Fly overnight between the two and the two that bond become clear. They are opposites. Opposites attract.

There is a definable quality to the Victoria air. It smells of the sea. In other cities, one is not aware of breathing—you simply go about your duties and your lungs do their involuntary work. In Victoria you are made aware that there is a taste to air, that the stuff entering your nostrils has an actual flavor to it, as distinct as if it were vanilla or cinnamon or garlic.

The flavor is sweet and salt and tang, and the texture is somewhere between consonant and a wee grant. You can almost chew the stuff. Young ladies from Victoria have a clear skin that is also to be had on Irish girls—and for the same reason: the wet air washes them every day.

The girls on Montreal streets paint their own pretense. Smart, busy in their huge-shouldered coats, they strike parity, aware they are part of the sidewalk theatre that makes their city so distinctive in a country that is supposed to be modest in its excess, discreet in its outdoor behavior. Outside the Rita-Carlton Hotel on Sherbrooke, below the slope of Mount Royal, the paradise to and from work is a roughhewn fashion emporium, more voguish than real, that is half a hundred beauty counters as the runway.

The mist creeps along the water in Victoria, a soft layer of gauze that shifts and crumples, wonderfully feeling its way along the shore. The trees have the best climate in Canada, is built

on a rocky tip of Vancouver Island, barely trim—looming into the ocean wind—that are seen nowhere else in Canada. They are strangely reminiscent of a Caribbean topography. The Japanese Current, sweeping down the Strait of Georgia, between Vancouver Island and the mainland, and then sweeping out into the Pacific through Juan de Fuca Strait, produces this balmy air. The taste of the newly wed and the newly dead, with half the annual rainfall of Vancouver, it is truly God's Waiting Room.

Montreal supposedly has crazy drivers



in Ottawa because of the goofy, erratic driving habits of the inhabitants. Victoria drivers reflect Victoria. They drive as if they have all day, all week, to get to the grocery store. They do. Montreal drivers would prang in Victoria very quickly, yet realizing that essential fact of the Pacific Paralysis.

In the center of Victoria, just past the stop where Yankee tourists, thinking they've actually stumbled into Anne Hathaway's cottage, buy possibly mega-sized mugs of John Bull and bowls of tartar, there is the most magnificent bookshop in Canada, possibly in North America. The *Washington Post* recently discovered it. It used to be the headquarters building of the Royal Bank in Victoria. Built in 1868, it is as solid and expansive and expensive as the British Empire used to be. Jim Munro, former husband of author Alice Munro, has run, elsewhere, a fine Victoria bookshop for years. He bought the old bank building, exposed its fine marble floor, exploited its soaring roof line and opened the whole space to books.

It makes Brantford's in Toronto look like a closet, overshadowed, overshadowed, by more grandly spaced, more elegant, Victoria's state. Vancouver (probably Canada's best) and even endorsed them, money, dreams, bookshelves or Fifth Avenue, in New York. Is Victoria you've got a lot of time to read? It's the air. It makes you dreamy.

In Montreal you do not think of air. People are the only thing that matter. That, and talk. The new talk is that Toronto has a new slogan. Thank God it's Mandarin. Montreal people find this very funny (Western Canadians, actually, discovered the same fact decades ago, which is why Calgary Stampeder fans rode their horses into the lobby of the Royal York at the 1985 Grey Cup and then introduced Toronto to the real world.) It was the first step on Toronto's 30-year march toward sophistication.

Montreal was, that space decades ago, and Victoria wants to have no part of it. That's what keeps this country together.



BE A PART OF IT.
Canadian Club
LIGHT CRISP VERSATILE



There's vodka.

And then there's Smirnoff.



Friends are worth it.

